



**HOUSING AUTHORITY  
of the County of Los Angeles**

Administrative Office

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**Gloria Molina**  
**Yvonne Brathwaite Burke**  
**Zev Yaroslavsky**  
**Don Knabe**  
**Michael D. Antonovich**  
*Commissioners*

**Carlos Jackson**  
*Executive Director*

**AGENDA  
FOR THE REGULAR MEETING OF THE  
LOS ANGELES COUNTY HOUSING COMMISSION**

**WEDNESDAY, FEBRUARY 27, 2008**

**12:00 NOON**

**WEST KNOLL APARTMENTS  
838 WEST KNOLL DRIVE  
WEST HOLLYWOOD, CA 90069  
(323) 653-3090**

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**1. Call to Order**

**2. Roll Call**

**Severyn Aszkenazy, Chair  
Adriana Martinez, Vice Chair  
Philip Dauk  
Lynn Caffrey Gabriel  
Henry Porter, Jr.  
Alberta Parrish  
Bertha Scott**

**3. Reading and Approval of the Minutes of the Previous Meetings**

Regular Meeting of January 23, 2008

**4. Report of the Executive Director**

**5. Public Comments**

The public may speak on matters that are within the jurisdiction of the Housing Commission. Each person is limited to three minutes.

**6. Staff Presentations**

Agency Plan for Fiscal Years 2008-2012 – Marisela Crabbe and Kerrin Cardwell

**--- Notice of Closed Session ---**



## Regular Agenda

### **7. Approve the Agency Plan for the Housing Authority of the County of Los Angeles (All Districts)**

Recommend that the Board of Commissioners find that the attached Agency Plan, which consists of the Five-Year Plan for Fiscal Years 2008-2012 and the Annual Plan for Fiscal Year 2008-2009, as described herein, are not subject to the provisions of the California Environmental Quality Act (CEQA), because they will not have the potential for causing a significant effect on the environment; approve the attached Agency Plan, as required by the U.S. Department of Housing and Urban Development (HUD), to update the Housing Authority's program goals, major policies and financial resources, including the Capital Fund Annual Statement and Five-Year Action Plan, the Admissions and Continued Occupancy Policy for the Conventional Public Housing Program, the Public Housing Lease Agreement, and the Section 8 Tenant-Based Program Administrative Plan; adopt and instruct the Chair to sign the attached Resolution approving the Agency Plan for submission to HUD, and authorizing the Executive Director of the Housing Authority to take all actions required for implementation of the Agency Plan; authorize the Executive Director to execute all documents required to receive approximately \$5,980,536 in Capital Fund Program funds from HUD for resident programs, operating costs, and the rehabilitation of 2,184 housing units at 18 Conventional Public Housing Program developments throughout Los Angeles County, as described in the Agency Plan; authorize the Executive Director to incorporate into the Agency Plan all public comments received and approved for inclusion by your Board; and authorize the Executive Director to submit the Agency Plan to HUD by April 17, 2008. (APPROVE)

### **8. Approve Three Elevator Consulting Services Agreements for Elevator Modernization at Three Housing Authority Senior Housing Developments (2, 3)**

Recommend that the Board of Commissioners find that the approval of consulting services agreements (Agreements) is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the action will not have the potential for causing a significant effect on the environment; approve and authorize the Executive Director to execute three separate two-year Agreements in the aggregate amount of \$169,570, in substantially the form of the attached, and all related documents, with IDS Group, Inc. (Consultant), to complete design services for the modernization of a total of eight elevators at the following three senior housing developments: South Bay Gardens located in the unincorporated area of Los Angeles County, Marina Manor I and II located in Marina Del Rey, and Palm Apartments located in West Hollywood, to be effective following execution by all parties; authorize the Executive Director to use a maximum aggregate amount of \$169,570 in Capital Fund Program (CFP) funds included in the Housing Authority's approved Fiscal Year 2007-2008 budget, for the purposes described herein; authorize the Executive Director to execute

amendments to the Agreements, following approval as to form by County Counsel, to extend the time of performance for an additional year, to allow the Consultant to perform construction observation services during the construction phase of the project. Compensation for services for the additional year is included in the aggregate amount of \$169,570; authorize the Executive Director to execute change orders to the Agreements, and all related documents, following approval as to form by County Counsel, to increase the Agreements by up to an aggregate amount of \$33,914, for unforeseen project costs, using the same source of funds described above. (APPROVE)

**9. Authorize Executive Director to Request Renewal of Funding and Execute Two Housing Assistance Payments Contracts with the U.S. Department of Housing and Urban Development for Lancaster Homes and Kings Road Senior Housing Developments (3, 5)**

Recommend that the Board of Commissioners find that requesting renewal of funding and executing two Housing Assistance Payments (HAP) contracts are not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the actions will not have the potential for causing a significant effect on the environment; authorize the Executive Director of the Housing Authority of the County of Los Angeles (Housing Authority) to request renewal of HAP funding and execute two HAP contracts with the U.S. Department of Housing and Urban Development (HUD) to continue the funding of rent subsidies at the Lancaster Homes and Kings Road senior housing developments located in the Cities of Lancaster and West Hollywood, respectively, following approval as to form by County Counsel; authorize the Executive Director to execute additional administrative documents as may be necessary for the purposes identified above. (APPROVE)

**10. Approve Construction Contract for Exterior Improvements at Carmelitos Senior Housing Development (4)**

Recommend that the Board of Commissioners find that the approval of a construction contract for exterior improvements at Carmelitos senior housing development is exempt from the provisions of the California Environmental Quality Act (CEQA), as described herein, because the work includes activities that will not have the potential for causing a significant effect on the environment; approve and authorize the Executive Director of the Housing Authority of the County of Los Angeles to execute a construction contract (Contract) in the amount of \$288,262, in substantially the form of the attached, and all related documents, with DMS Construction, Incorporated (Contractor), to complete exterior improvements at the Carmelitos senior housing development located in the City of Long Beach, effective upon the issuance of the Notice to Proceed, which will not exceed 30 days following the date of Board approval, and execution by all parties; authorize the Executive Director to use a total of \$288,262 in Capital Fund Program (CFP) funds provided by the U.S. Department of Housing and Urban Development (HUD), for the purposes described above; authorize the Executive Director to

approve Contract change orders not to exceed \$72,066 for unforeseen project costs, using the same source of funds described above; authorize the Executive Director to incorporate up to \$360,328 in CFP funds into the Housing Authority's approved Fiscal Year 2007-2008 budget for the purposes described above. (APPROVE)

**11. Approve Contract for Kitchen and Bathroom Flooring Replacement at Lancaster Homes Senior Housing Development (5)**

Recommend that the Board of Commissioners find that the approval of a construction contract (Contract) for kitchen and bathroom flooring replacement is exempt from the provisions of the California Environmental Quality Act (CEQA), as described herein, because the work includes activities that will not have the potential for causing a significant effect on the environment; approve and authorize the Executive Director of the Housing Authority of the County of Los Angeles to execute a Contract in the amount of \$60,377, in substantially the form of the attached, and all related documents, with Arbia Investments, Inc., Dba Statewide Floors (Contractor), to provide for sheet vinyl flooring materials and installation services in the kitchen and bathrooms at the Lancaster Homes senior housing development, to be effective following approval as to form by County Counsel and execution by all parties; authorize the Executive Director to use a total of \$60,377 in funds included in the Housing Authority's approved Fiscal Year 2007-2008 budget, for the purposes described above; authorize the Executive Director to execute amendments to the Contract, following approval as to form by County Counsel, to increase the Contract by up to \$10,000, for any unforeseen needed services or materials, using the same source of funds described above. (APPROVE)

**12. Housing Commissioners Comments and Recommendations for Future Agenda Items**

Housing Commissioners may provide comments or suggestions for future Agenda items.

Copies of the preceding agenda items are on file and are available for public inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday, at the Housing Authority's main office located at 2 Coral Circle in the City of Monterey Park. Access to the agenda and supporting documents is also available on the Housing Authority's website.

Agendas in Braille are available upon request. American Sign Language (ASL) interpreters, or reasonable modifications to Housing Commission meeting policies and/or procedures, to assist members of the disabled community who would like to request a disability-related accommodation in addressing the Commission, are available if requested at least three business days prior to the Board meeting. Later requests will be accommodated to the extent possible. Please contact the Executive Office of the Housing Authority by phone at (323) 838-5051, or by e-mail at [marisol.ramirez@lacdc.org](mailto:marisol.ramirez@lacdc.org), from 8:00 a.m. to 5:00 p.m., Monday through Friday.



THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES

MINUTES FOR THE REGULAR MEETING OF THE

LOS ANGELES COUNTY HOUSING COMMISSION

Wednesday, January 23, 2008

The meeting was convened at the Marina Manor Housing Development, located at 3401-05 Via Dolce Avenue, Marina Del Rey, California.

Digest of the meeting. The Minutes are being reported seriatim. A taped record is on file at the main office of the Housing Authority.

The meeting was called to order by Vice Chair Adriana Martinez at **12:05 p.m.**

<b>ROLL CALL</b>	<b><u>Present</u></b>	<b><u>Absent</u></b>
Lynn Caffrey Gabriel	X	
Henry Porter, Jr.	X	
Severyn Aszkenazy		X
Philip Dauk	X	
Adriana Martinez	X	
Bertha Scott	X	
Alberta Parrish		X

**PARTIAL LIST OF STAFF PRESENT:**

Bobbette Glover, Assistant Executive Director  
Maria Badrakhan, Director, Housing Management  
Emilio Salas, Director, Administrative Services

**GUESTS PRESENT:**

The following Marina Manor Council Members and residents were present:

Michael Lamonte, President  
Carol Bogan, Secretary  
Tina Wheeler, Member  
Molly Weisman, Member  
Gloria Raglin, Resident  
Ludmila Privorotskaya, Resident

**Reading and Approval of the Minutes of the Previous Meeting**

On Motion by Commissioner Gabriel, seconded by Commissioner Porter, the Minutes of the Regular Meeting of December 19, 2007 will be held for approval during February's meeting. Commissioner Scott and Commissioner Gabriel abstained.

**Agenda Item No. 4 - Report of the Executive Director**

Bobbette Glover reported on the following items:

Ms. Glover introduced Ms. Jana Arutyunyan, Resident Manager, who provided a brief overview of the Marina Manor Housing Development.

Ms. Glover extended an invitation to the Commissioners to attend the 2008 NAHRO Legislative Conference in Washington, D.C.

Commissioner Gabriel noted that she will not be present at the April meeting.

Ms. Glover announced that a new bill was introduced in the state legislature by Sharon Runner, Assembly Woman for the Antelope Valley Area. The Housing Authority has met with Assembly Woman Runner in the past regarding Section 8 issues in the Antelope Valley. The bill states that defrauding of a government subsidized housing program is felony grand theft, and requires housing authorities to provide written notice to applicants that criminal penalties will result upon conviction. The bill faced strong opposition from the California Attorneys for Criminal Justice, and did not pass. Ms. Glover will ask Elisa Vasquez, Manager, Intergovernmental Relations Unit, to watch for a modified version of this bill.

Ms. Glover advised that the Housing Commission schedule of meetings has been revised and asked for suggestions on upcoming meeting locations. Commissioner Martinez stated that staff should have the discretion of where to hold meetings; Commissioner Gabriel suggested closer proximity to Commission headquarters.

Ms. Glover reported that translation equipment provided by Housing Management Division will be used at future Housing Commission meetings. Live translator services in Spanish and Russian are also being considered.

Ms. Glover reported on last week's meeting with the Office of the Inspector General and local HUD office staff to discuss the Draft Report on the Section 8 Program. She clarified that the Draft Report was not for public distribution. Commissioner Porter, Ms. Glover and other Housing Authority staff, were in attendance.

#### **Agenda Item No. 5 - Closed Session**

The Housing Commission met in Closed Session, at which time Ms. Glover reported on the personnel recommendation discussed at the meeting with the Inspector General and HUD.

#### **Agenda Item No. 6 – Public Comments**

Michael Lamonte, President of the Marina Manor Resident Council, and Molly Weisman, Council Member, commented that one of the two elevators in the development was not working and asked to know the status. Geoffrey Siebens, Manager, Construction Management Division, reported on the status of the repairs.

Tina Wheeler, Council Member, expressed concerns about the homeless people living around the canal behind the housing development. Ms. Glover suggested scheduling a meeting with local Police Department, Ben Saltsman, Third District Deputy and a representative from the Resident Council.

Carol Bogan, Council Secretary, expressed concerns about violations of housing development rules and regulations. Maria Badrakhan, Housing Management Director, will look into Ms. Bogan's comments and respond.

Gloria Raglin, Resident, commented on the non-working elevator and on issues in her apartment that need to be addressed. Ms. Badrakhan, will address Ms. Raglin's concerns.

Commissioner Porter suggested that staff attend Resident Council meetings to provide updates on pending projects and repairs and to inform residents of the list of priorities. He also suggested that the Resident Council establish a cooperative system to assist each other when staff cannot provide immediate assistance.

Commissioner Martinez recommended that staff convene a meeting with the Resident Council and a representative from the District Supervisor's office for the purpose of assigning a Case Worker to ensure that the Resident Council's concerns are addressed.

#### **Agenda Item No. 7 - Staff Presentations**

Gregg Kawczynski and Bob Cornwell, Financial Advisor, Capital Solutions Group (CSG) Associates spoke about the Multifamily Mortgage Revenue Bond Program and responded to questions from the Commissioners.

Betsy Lindsay, Manager, Housing Management Division, presented the Housing Authority Public Housing Resident Survey and responded to questions from the Commissioners.

#### **Regular Agenda**

**On Motion by Commissioner Gabriel, seconded by Commissioner Porter, and unanimously carried, the following was approved by the Housing Commission:**

AWARD ONE-YEAR AGREEMENTS TO PROVIDE COUNTYWIDE ASBESTOS  
AND/OR LEAD CONSULTING SERVICES (ALL DISTRICTS)  
AGENDA ITEM NO. 8

1. Recommend that the Board of Commissioners find that approval of one-year Asbestos and/or Lead Consulting Services Agreements is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the action will not have the potential for causing a significant effect on the environment.

2. Recommend that the Board of Commissioners approve and authorize the Executive Director of the Housing Authority to execute one-year Asbestos and/or Lead Consulting Services Agreements (Agreements) with eight consulting firms identified in Attachment A, to provide asbestos and/or lead consulting services on a project-by-project, as needed basis during the development and/or rehabilitation of affordable housing, commercial and other facilities throughout the County of Los Angeles, to be effective upon execution by all parties, and to use as needed for this purpose a maximum aggregate amount of \$80,000, to be incorporated into the Housing Authority's approved 2007-2008 Fiscal Year budget.
3. Recommend that the Board of Commissioners authorize the Executive Director of the Housing Authority to execute additional Asbestos and/or Lead Consultant contracts with one or more consulting firms from among five other qualified proposals received, also identified in Attachment A, provided that the consulting rates of these additional firms do not exceed the rates provided in their respective proposals.
4. Recommend that the Board of Commissioners authorize the Executive Director to execute amendments to the Agreements, following approval as to form by County Counsel, to extend the contract term for up to two additional years, in one-year increments, contingent upon the availability of funds.
5. Recommend that the Board of Commissioners authorize the Executive Director to increase the aggregate contract amount by up to \$8,000 for any unforeseen, needed asbestos and/or lead consulting services.

**On Motion by Commissioner Porter, seconded by Commissioner Gabriel, and unanimously carried, the following was approved by the Housing Commission:**

AWARD LANDSCAPE MAINTENANCE SERVICES CONTRACT FOR  
UJIMA VILLAGE HOUSING DEVELOPMENT (2)  
AGENDA ITEM NO. 9

1. Recommend that the Board of Commissioners find that approval of a landscape maintenance services contract for Ujima Village is exempt from the California Environmental Quality Act (CEQA), as described herein, because the services will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners approve and authorize the Executive Director of the Housing Authority of the County of Los Angeles to execute a one-year contract (Contract) in the amount of \$115,728, in substantially the form of the attached, and all related

documents, with Far East Landscape & Maintenance, Inc. (Far East), to provide landscape maintenance services at the Ujima Village housing development, to be effective following approval as to form by County Counsel and execution by all parties.

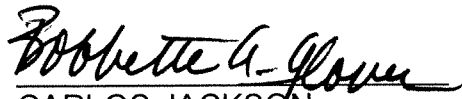
3. Recommend that the Board of Commissioners authorize the Executive Director to execute amendments to the Contract, following approval as to form by County Counsel, to extend the time of performance for an additional two years, in one-year increments, at the same annual amount of \$115,728.
4. Recommend that the Board of Commissioners authorize the Executive Director to use a maximum amount of \$347,184 over a three-year period for the purposes describe above, comprised of \$115,728 in funds included in the Housing Authority's approved Fiscal Year 2007-2008 budget, and \$231,456 in funds to be requested through the Housing Authority's annual budget approval process.

**Agenda Item No. 10 – Housing Commissioner Comments and Recommendations for Future Agenda Items**

Commissioner Gabriel commented that she would like to see a clearer way to convey to the residents that publicly-funded residential buildings operated differently than privately owned buildings. Ms. Glover added that our hands are tied in many ways due to government regulations.

Ms. Glover adjourned the Regular Meeting of January 23, 2008, at 3:10 p.m.

Respectfully submitted,

  
for CARLOS JACKSON  
Secretary –Treasurer

Housing Affairs Letter Stories posted week of 1/12/08 - 1/18/08

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### *Move To Plug Sec. 8 Exodus*

Faced with the loss of as many as 500,000 project-based Sec. 8 subsidized apartments this year, housing advocates will ask Congress for an emergency \$2 billion supplement for FY 2008 to keep landlords in the program.

The estimate involves only those landlords who eye departure from the program because their rent subsidies are below the market rate for the area.

Program departures—landlords deciding not to renew contracts with HUD when the pacts expire or when HUD-backed mortgages are paid off—are magnified by HUD's failure to ask Congress for sufficient money to pay landlords on time.

Last summer, HUD officials were caught in a quandary when the department ran out of money in FY 2007's third quarter. Only a \$1.3 billion infusion from the Office of Management & Budget rescued the department. OMB tapped other HUD program money to raise the supplement.

While HUD officials reluctantly admitted to Congress that the department had failed to request sufficient funding, HUD repeats the same snafu in FY 2008 by requesting \$2 billion less than what officials admit is a needed \$8.1 billion.

The full amount would allow HUD to pay landlords through the year, allowing owners to plan their expense payments accordingly. Failure to do so would encourage additional landlords to refuse contract renewals, thereby adding to the prospect of losing more units, advocates contend.

01/18/2008 11:54 AM

## NAHRO Monitor: January 15, 2008

### *Affordable Housing Trust Fund Introduced in Senate*

Sen. John Kerry (D-Mass) recently introduced S. 2523, the National Affordable Housing Trust Fund Act. The bill, unveiled on Dec. 19, features a bipartisan group of co-sponsors. S. 2523 closely resembles the Trust Fund bill (H.R. 2895) passed by the House in October 2007. The creation of a new and viable federal program to enable the production, rehabilitation and preservation of affordable housing for low-income families is a long-standing NAHRO legislative priority. NAHRO endorsed H.R. 2895 shortly after it was introduced last July.

Like the House-passed bill, S. 2523 specifies two sources of funding for the trust fund: resources transferred from Federal Housing Administration (FHA) savings as specified under the Expanding American Homeownership Act of 2007, and deposits from Government Sponsored Enterprises (GSEs) Fannie Mae and Freddie Mac. The House-passed version of FHA reform legislation includes a funding source for a prospective affordable housing fund. A less expansive Senate-passed FHA modernization bill does not include a funding source for an affordable housing fund.

Although the Senate has yet to act on comprehensive GSE reform legislation, Senator Reed recently introduced a bill (S. 2391) that would create a new GSE-financed formula-based affordable housing block grant program, similar to the affordable housing fund included in the House-passed GSE reform bill. Although S. 2391 can function as stand-alone legislation, Senator Reed intends for its provisions to be included within a more comprehensive Senate GSE reform bill. NAHRO has endorsed S. 2391 and communicated its support in a recent letter to Senator Reed, available at [www.nahro.org/members/news/2008/reed\\_s2391.pdf](http://www.nahro.org/members/news/2008/reed_s2391.pdf).

### *Trust Program under S. 2523 Largely Mirrors H.R. 2895*

Just as they would under H.R. 2895, , National Affordable Housing Trust Fund dollars under S. 2523 would be allocated according to a formula to be developed by HUD, with 60 percent of funds going to participating local jurisdictions and the remaining 40 percent allocated

to states, federally recognized Indian Tribes, and insular areas. Each state would be guaranteed to receive no less than 0.5 percent of the total amount allocated each fiscal year. NAHRO has consistently advocated in favor of a formula-based distribution with a 60/40 split for any new affordable housing production program.

Eligible recipients include organizations, agencies, or other entities (including for-profit entities, nonprofit entities, faith-based organizations, community development financial institutions, community development corporations, and state or local housing trust funds) that have demonstrated the experience and capacity to conduct the types of eligible activities for which they seek funding. NAHRO has repeatedly stated its position that any legislation creating a new affordable housing production program should explicitly state that local housing agencies are eligible recipients.

Eligible activities under S. 2523 include "activities relating to the construction, preservation, or rehabilitation of affordable rental housing or affordable one- to four-family owner-occupied housing," including construction, acquisition, and rehabilitation; project-based rental assistance for trust fund-assisted projects for up to 12 months; operating reserves to cover the loss of rental assistance; operating accounts used to cover net operating income shortfalls; and financial incentives to maintain existing housing as affordable and to extend low-income affordability restrictions. Eligible homeownership activities include downpayment assistance, closing cost assistance, and assistance for interest rate buy-downs.

All trust fund grant amounts allocated under S. 2523 must be used for activities that benefit families whose incomes do not exceed 80 percent of the greater of area median family income or the median family income for the state in which the housing is located. For each fiscal year, at least 75 percent of each grantee's trust fund grant amount must be used for activities that benefit extremely low-income families, defined as families whose incomes do not exceed the higher of 30 percent of area median income or the federal poverty line applicable to the size of the family assisted. S. 2523 would require the HUD Secretary to deliver a report to Congress by October 1, 2010 on the need to adjust the program's income targeting requirements.

S. 2523 has been referred to the Senate Banking Committee. It is unlikely that the committee will act on the bill without first taking up comprehensive GSE reform legislation.



## *NAHRO Comments on Proposed Pet Ownership Rule*

In October, HUD published for comment a proposed rule (<http://edocket.access.gpo.gov/2007/pdf/E7-20196.pdf>) to amend its existing regulations concerning pet ownership in projects for the elderly and persons with disabilities. HUD has maintained two sets of regulations relating to pet ownership: one codified at 24 CFR part 960, Subpart G, which implements the public housing pet provisions enacted in the Quality Housing and Work Responsibility Act of 1998, and other, older regulations codified at 24 CFR part 5, Subpart C, relating to pet ownership in projects for the elderly and persons with disabilities.

HUD's preamble to the proposed rule states that it seeks to "improve uniformity" in the regulations by revising the Part 5 regulations to conform the exceptions for assistance animals for persons with disabilities to those that apply to the public housing program at Part 960.

Presently, the part 5 regulations allow owners of projects for the elderly and disabled to limit possession of pets to common household pets, subject to the reasonable rules of project owners governing the keeping of such pets (sec. 5.315). In addition, the regulations (sec. 5.350) presently require that pet ownership be subject to certain mandatory rules relating to inoculations, sanitary standards, restraint and registration.

An exclusion from these regulations exists with respect to "animals used to assist persons with disabilities." These animals are not subject to the Subpart C regulations. However, the regulations permit an owner to require that an assistance animal qualify for this exception by meeting three criteria (sec 5.303(a)(1)). The housing provider must grant the exception if:

- (i) The tenant or prospective tenant certifies in writing that the tenant or a member of his or her family is a person with a disability;
- (ii) The animal has been trained to assist persons with that specific disability; and
- (iii) The animal actually assists the person with a disability.

In the name of improving uniformity, the proposed rule would remove these criteria and the ability of owners to qualify assistance animals

altogether while at the same time broadening the category of animals considered to be assistance animals from those used to "assist" persons with disabilities to those used to "assist, support, or provide service to" such persons.

NAHRO commented that the operative effect of the proposed rule is to exclude from any regulation at all, under either Part 5 or part 960, not only animals that meet the traditional criteria for assistive or service animals but also animals that would otherwise be considered to be pets. This would include, notably, animals that have come to be known as "comfort pets," which do not satisfy the definition of assistance animal under the ADA.

The comment went on to say that while excluding trained service animals from regulation may be justified, no such justification exists with respect to untrained animals serving as companion pets or comfort pets. A qualified assistance animal is typically trained not only to perform specific tasks to aid a person with disabilities but is also selected and trained to exhibit acceptable general behaviors when interacting with the public. Exempting such animals from the rules applicable to other pets thus involves little or no risk to others. This cannot be said of untrained animals who may be kept for emotional support, companionship or comfort, and which would become exempt under the proposed rule.

NAHRO also argued that the terminology contained in the present public housing regulations and the proposed Part 5 regulation is overly vague, and that, if anything, the public housing regulations should be conformed to the Part 5 regulations, not the other way around. In particular, the reference in the public housing regulations and the proposed rule to pets that "support" a person with disabilities is inherently vague unless elaborated. Virtually any pet could fall within this definition, which represents a significant departure from the trained "service animal" concept originally contemplated by the ADA and section 504. While it is clear that the presence of suitable companion or comfort pets benefit elderly persons and those with disabilities, and their presence should liberally be permitted, achieving this need not involve immunity from regulation of all "support" pets, a term that is so vague that it cannot usefully be applied to make judgments about the appropriateness of particular requests for reasonable accommodations.

In conclusion, NAHRO suggested that HUD withdraw and reconsider the rule. Comments were filed by a wide range of housing and

advocacy organizations. Almost all opposed the rule as written. A copy of NAHRO's comment may be found at [http://www.nahro.org/members/news/2008/Pet\\_Comment.doc](http://www.nahro.org/members/news/2008/Pet_Comment.doc).

### *Housing America in 2008*

Once again, NAHRO will step to the forefront and lead the Housing America Campaign in 2008. Housing America 2007 enabled our organization to join forces with other national housing organizations; elevated local awareness of the importance of housing and community development; and enabled NAHRO members, through the regions and chapters, to work together with both traditional and nontraditional partners in new, productive ways.

The 2008 national campaign will once again be developed under the auspices of NAHRO's Legislative Network, chaired by former NAHRO President Jim Inglis. Long-time NAHRO leader Ray Bender will serve as Housing America Chair this year.

In 2008, the development and execution of the Housing America Campaign will be focused at the region and chapter level of NAHRO. Where in 2007 every NAHRO member to was asked to "just do one thing," in 2008 the leadership in NAHRO regions and chapters are being asked to plan, develop and execute this year's campaign.

Housing America will now be considered a year-round enterprise, which will offer the state and regional chapters greater flexibility in the timing and coordination of Housing America events. However, there is a benefit to having activities across the country peak at a given time to encourage a true campaign spirit. Accordingly, NAHRO has designated the month of April as Housing America month.

Please direct any questions or comments to John Bohm or Beth Cooper.

# Bringing suburbia to Watts

A subdivision geared toward middle-income buyers stirs interest in the community.

By DUKE HELFAND  
Times Staff Writer

It's an improbable place to find a home-building boom in the midst of Los Angeles' sluggish housing market.

Yet only three blocks from the Imperial Courts public housing project, along a stretch of land once used as a neighborhood dump, 44 homes are rising in Watts within sight of its famous towers.

Across the street from bungalows with bars on their windows and trash in their yards, a developer and a grass-roots organization are selling the American dream: two stories, four bedrooms, 2½ baths, with master suites and marble counter tops — priced "from the mid-\$400,000's."

It is believed to be the largest development of new homes in Watts in at least three decades, one aimed at teachers, firefighters, nurses and other

first-time middle-income buyers, some of whom might qualify for interest-free loans from the city that could shave \$75,000 off of their cost.

As with other construction in Los Angeles, the builders face challenges — notably, declining home values and tighter credit requirements from lenders hit by the current mortgage crisis.

Some prospective buyers who have stopped by the site say the homes are too small or too close together for the price.

But even as wooden frames rise along Santa Ana Boulevard, the developers say that 300 potential buyers have expressed interest in the housing subdivision, whose name — Mozaic — conjures peaceful scenes of suburbia.

"Housing projects, gangs,



**GROUND FLOOR:** Crews work on the two-story homes that some say are too small or close together for the price.

bad neighborhoods, that's our business model," said Jeff Lee, president of Lee Homes, which is building the subdivision in a joint venture with Concerned Citizens of South Central Los Angeles, a nonprofit established in 1985. Construction financing has primarily come from Alliance Bank in Culver City.

"We believe that new homes change neighborhoods," Lee said.

The Mozaic homes are slated to go on sale in about a month and could be ready for occupants this summer along two blocks in the middle of one of Los Angeles' troubled communities.

Watts has struggled for decades to overcome grinding poverty, crime and a dangerous reputation, a problem underscored by three housing projects that have given birth to violent gangs.

Annual median household incomes in the community ranged from \$12,000 to \$25,000 as of the 2000 census — well below the city's median of nearly \$37,000.

But proponents believe that conditions may be ripe for a project like Mozaic.

Area crime has dropped significantly, including gang-related homicides, which fell 51% in 2007 compared with the year before.

Officials with Concerned Citizens believe that the homes — with two-car garages, custom cabinets, walk-in closets and other amenities — will offer an affordable alternative for people eager to set down roots

close to their jobs and extended families.

New homes in Mozaic's price range are scarce in Los Angeles, they say.

"Price is critical. If they are priced correctly, I think we'll be able to sell," said Noreen McClendon, executive director of the Concerned Citizens group. "People are still looking to buy homes."

Seventeen of the 44 houses will be reserved for moderate-income buyers who will be eligible for no-interest loans offered by the city Housing Department, which has committed \$1 million.

The loans would reduce down payments and not come due until the homes are resold or refinanced.

The city loan program could keep the cost of some Mozaic homes below \$400,000, well under November's \$550,000 median price of homes in the city.

A leading academic who has studied the residential market in Watts predicts that Mozaic will be successful — partly because it will address the dearth of new homes in the area — and attract buyers with the city loans and prices that compare favorably to other parts of Los Angeles.

"I would suspect that this project would be very favorably greeted in the marketplace," said Stuart Gabriel, director of UCLA's Richard S. Ziman Center for Real Estate. "This development is part of a trend of revitalization of the Watts community."

Yet even with such a promising forecast, the new homes

are facing a tough sell with some prospective buyers.

Andre Smith, 30, assistant director of the social service group Parents of Watts, said he was interested in a Mozaic home until he looked closely at the site and floor plans.

The three- and four-bedroom homes of up to 1,849 square feet are packed close together, offering too little space for a family, he said.

"I'd rather buy an older house and fix it up before I'd buy a small [new] house," Smith said.

"There is no yard," he said. "Maybe a patch of grass. It's definitely not worth it."

Longtime Watts resident Elizabeth Chavez said that the homes were too expensive, even with help from the city.

Chavez, the breadwinner for her family, earns \$19 an hour as a customer support specialist for a health food company in Vernon.

She shares a one-bedroom stucco house with her husband and three children across the street from the new development.

She said she would prefer to buy in a safer neighborhood.

"I 'settled' all my life," said Chavez, who attended nearby Jordan High School. "I don't want my kids to 'settle.'"

Lee, the developer, said he remained confident that people will buy the homes, repeating a pattern in Boyle Heights, Bell Gardens, Huntington Park and Commerce — other low-income areas where the company has built subdivisions.

"We hope people will see that new homes can be built in this area at affordable prices," Lee said.

Earlier this week, city leaders went to Watts to christen Mozaic. Los Angeles Mayor Antonio Villaraigosa and City Councilwoman Janice Hahn, who represents the area, presided over a groundbreaking, even though construction was already well underway.

They posed for pictures with hammers and boasted about the benefits of home ownership.

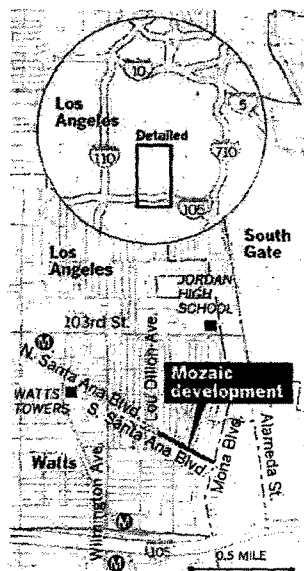
"Building these homes is just another sign that things are changing and that people do want to live in this community," Hahn told the gathering. "We are building a beautiful place in Watts."

[duke.helfand@latimes.com](mailto:duke.helfand@latimes.com)



FRANCINE ORR *Los Angeles Times*

**TEAMMATES:** Developer Jeff Lee talks with Noreen McClendon, head of Concerned Citizens of South Central Los Angeles, a nonprofit in a joint venture with his firm on the Watts subdivision.



Source: ESRI

LORENA INIGUEZ *Los Angeles Times*

## HUD PROGRAMS

## Most HUD Funding Cuts Come From Section 8, But Shouldn't Hurt Program, CBPP Analysis Shows

Most of the HUD budget savings in the fiscal 2008 consolidated appropriations act (H.R. 2764, Pub.L. 110-161) are taken from the Section 8 voucher program and are achieved in a manner that should have no adverse impact on the program, said the Center on Budget and Policy Priorities (CBPP) in a preliminary analysis of the legislation.

The CBPP analysis compared the omnibus bill with the House-Senate conference report on the Transportation-HUD appropriations bill (H.R. 3074), which President Bush had threatened to veto. The consolidated bill trimmed about \$1 billion of HUD funding from the T-HUD conference report through a combination of rescissions and reduced appropriations.

The other programs with cuts in the consolidated bill compared to the T-HUD bill are HOME, the community development block grant program (CDBG), and HOPE VI. For CDBG formula grants, the omnibus bill provides \$3.590 billion, \$130 million less than the \$3.723 billion in the conference bill and \$118 million below the fiscal 2007 funding level of \$3.711 billion.

The HOME program is funded at \$1.7 billion, including \$1.628 billion for formula grants, \$58 million less than the \$1.686 billion in the T-HUD conference report. Congress rejected the President's plan to eliminate HOPE VI and provided \$100 million for 2008, \$20 million less than the T-HUD bill but \$1 million above the 2007 total.

### Operating Subsidy

In a related funding matter, HUD has posted a notice on its web site that public housing operating fund allocations initially will be set at 84 percent of the formula eligibility amount and that HUD has obligated initial funding for the first two months of 2008. The omnibus bill provides \$4.194 billion in operating subsidies to be allocated during 2008. HUD estimated that total formula eligibility for 2008 is about \$5.0 billion.

HUD said that the final proration for the year may be higher or lower than 84 percent based on actual submission of PHA subsidy requests.

The initial two-month funding obligation came from appropriations in a continuing resolution (CR). HUD said that a second obligation will be made by March 1.

### Section 8 Vouchers

CBPP concluded that the \$14.66 billion which the consolidated appropriations bill provides for Section 8 voucher renewal funding will be sufficient to cover all vouchers in use during fiscal 2008, even though this amount is \$35 million less than in the T-HUD bill.

The CBPP also estimated that the bill contains funding for about 15,000 new vouchers, including \$20 million for the Family Unification Program, \$75 million for chronically homeless veterans, and \$30 million for non-elderly persons with disabilities.

The biggest share of the savings between the consolidated bill and the T-HUD bill is a \$723 million rescission of unobligated Section 8 voucher funds.

Like the conference bill, the omnibus legislation bases 2008 renewal funding for each PHA on actual leasing and costs during fiscal 2007. However, a new provision states that renewal funding will be reduced by an amount equal to the unusable amount in each agency's net restricted assets account which exceeds 7 percent of the amount of renewal funding allocated for calendar 2007.

The CBPP said this policy appears to reflect an underlying judgment that it is better to reduce unusable voucher funding reserve balances in return for retaining enough funds for voucher renewals, the first incremental vouchers in six years, and key investments in public housing, project-based Section 8 renewals, and other HUD programs.

CBPP said that Congress sent a significant message to the Administration when it funded Section 8 project-based renewals at \$6.14 billion, an increase of \$310 million over 2007 and \$616 million over the President's budget request.

"This additional funding sends an important signal that Congress opposes the Administration's new policy of 'short-funding' Section 8 rental assistance contracts, although a substantial amount of additional funding will be needed to provide a full 12 months of funding for every renewal in FY 2008," CBPP said.

## MORTGAGE FINANCE

## Foreclosure Prevention Effort May Have to Be Expanded, Paulson Says

The housing downturn remains the greatest threat to the economy, and the foreclosure prevention effort now under way may have to be extended beyond the subprime mortgage market, according to Treasury Secretary Henry M. Paulson, Jr.

The Administration announced the plan developed with the industry-backed HOPE NOW alliance last month, and Paulson gave a status report in a January 7 address to the New York Society of Securities Analysts.

The plan involves outreach to troubled borrowers, the development of new mortgage products, and the refinancing and restructuring of certain subprime adjustable-rate mortgages (ARMs). (For background, see *Current Developments*, Vol. 35, No. CD-24, p. 737.)

### Report on Activity

Since the effort began, Paulson said, the HOPE NOW alliance, which now represents over 90 percent of the subprime servicing market, has sent over 450,000 letters to at-risk borrowers who had not previously contacted their servicers.

As a result, Paulson said, about 45,000 homeowners have called their servicers to see if they can avoid foreclosure, and servicers are moving quickly to implement the framework for streamlined refinancings and modifications, which may include an interest rate freeze.

Paulson added, however, that there are "major chal-

## COMMUNITY AND ECONOMIC DEVELOPMENT

### PUBLIC HOUSING



## HUD Issues Guidance on Taking Of Property by Eminent Domain

HUD has issued guidance on the factors it will consider in deciding whether to consent to a taking of public housing property by eminent domain.

The guidance in Notice PIH 2008-42 (PHA), issued January 4, applies to public housing property developed, acquired, or maintained with funds under the U.S. Housing Act of 1937.

For purposes of the notice, public housing property doesn't include the property of an Indian housing authority or tribally designated housing entity, but it may include units owned by private entities in mixed-finance developments which include public housing.

As the notice explains, HUD isn't attempting to impose requirements on governmental or quasi-governmental bodies seeking to acquire public housing property through eminent domain, which are free to go to court if there is a disagreement about a taking.

### HUD Consent

According to the notice, the factors which HUD may consider in deciding whether to consent to a taking include any agreement between the PHA and the taking body; support for taking from the PHA board; the taking body's authority under applicable state law to acquire the property; compensation to be provided for dwelling units, vacant land, non-dwelling structures, and other facilities; appraisal of the property; consultation with residents; and payment of resident relocation costs.

HUD's determination as to whether to consent to a taking will be based on information provided by the PHA and the taking body describing the proposed action.

If the PHA feels that its ability to carry out its mission is threatened by an eminent domain action, it should notify the HUD regional/field counsel and the HUD director of public housing in its jurisdiction of the proposed taking.

### Processing of Applications

In all other cases, the PHA should submit an electronic application through the PIH Information Center (PIC) to HUD's Special Applications Center (SAC) at the time that the taking body either has asked the field office for HUD's consent to the taking or has taken the first step under state law for a taking by eminent domain.

The SAC will review the PHA's request for HUD's consent to the taking, consulting with the HUD regional counsel, and will make a recommendation as to whether to consent.

The assistant secretary for public and Indian housing, or any other headquarters official with delegated author-

ity, will make the final decision on the taking and notify the SAC.

The SAC will notify local HUD Offices of Public Housing of all departmental consents to the taking of public housing property, and the local offices will be responsible for implementation of the takings.

### CD BLOCK GRANTS

## OIG Report Criticizes HUD's CDBG Performance Measurement System

HUD should develop a better performance measurement system for the community development block grant (CDBG) program to evaluate the effectiveness of grantees' activities, according to an Office of Inspector General (OIG) audit report that is critical of the department's monitoring efforts.

The report, which was released on December 31, is based on a review of CDBG activity in the New York City, Newark, Buffalo, St. Louis, and Knoxville field offices.

HUD generally disagreed with the OIG's findings.

### Performance Measurements

"HUD performance measurements did not demonstrate how grantees were increasing neighborhood health and attaining the primary CDBG objective of developing viable urban communities," the audit report says. "We attribute this condition to the fact that HUD relied mostly on compliance and output measurements without relating these issues to overall grantee performance."

According to the report, HUD needs to clearly define what constitutes a viable community so that grantees can show how their CDBG-funded activities improved their communities and helped make them viable or livable.

The OIG also recommended that HUD develop a performance measurement system which allows the departments to report meaningful outcomes and design a ranking and rating system for individual grantees so that HUD and its stakeholders can identify both good and bad performance.

Under the current system, the audit says, the department focuses primarily on outputs, such as the number of households receiving housing assistance and the number of jobs created, to report program accomplishments.

"While output measurement may be necessary and commendable," the report says, "it does not equate to performance assessment and conclusions as to how grantees are meeting program objectives."

### Program Monitoring

The OIG also found HUD's monitoring system to be inadequate because it is geared to the resolution of compliance issues while giving little attention to performance outcomes.

tenants that the Deficit Reduction Act of 2005 precluded it from selling the property at a discounted price, and it did not have the authority to issue Section 8 vouchers to residents who were not already receiving project-based assistance before the foreclosure.

Plaintiffs, the Parkview Tenants Association (PTA) and four PTA members who reside in the complex, filed suit to enjoin the foreclosure, alleging violation of the APA, misapplication of the Deficit Reduction Act, retaliation under the First Amendment, and violation of the Fifth Amendment for HUD's failure to issue extra vouchers, maintain the property, and give proper notice of its disposition plan.

When considering a motion for preliminary injunction, the court said it must consider the plaintiff's likelihood of success on the merits, whether the plaintiff would suffer irreparable harm with the injunction, whether granting the injunction will harm others, and the effect of the injunction on the public interest.

### Applicability of APA

Plaintiffs claimed that HUD failed to meet its management responsibilities under the Multifamily Housing Property Disposition Reform Act to maintain the property in a decent, safe, and sanitary condition and sought a remedy under the APA. HUD argued that judicial review was not permitted because actions committed to agency action by law aren't subject to the APA.

HUD said that Section 204 of the fiscal 1997 appropriations act gives the department unfettered discretion to establish the terms and conditions for managing and disposing of multifamily properties when it is the mortgage holder. Specifically, Section 204 gives HUD the authority to manage and dispose of certain properties "notwithstanding any other provision of law."

Plaintiffs argued that the agency discretion exception does not apply. They cited *Citizens to Preserve Overton Park, Inc. v. Volpe*, 402 U.S. 402 (1971), which held that the exception applies only where "statutes are drawn in such broad terms that in a given case there is no law to apply."

In this case, according to plaintiffs, the obligations in the Disposition Reform Act and the housing goals in that act and the National Housing Act do provide law to apply. Plaintiffs also cited *Massie v. U.S. Department of Housing and Urban Development*, 2007 WL 674597 (2007), which held that HUD's flexible authority does not preclude court review of a claim that HUD violated its own regulations.

### Court Ruling

The court said that Sixth Circuit has not addressed the scope of Section 204 or how to reconcile it with the Disposition Reform Act and the APA. The court noted that other courts in two unpublished opinions construed similar "notwithstanding" language very broadly and found that it preempted other statutes and regulations. However, the court said it was not bound by these decisions and was not persuaded that Section 204 had the preemptive power HUD claimed.

The court rejected HUD's argument that the "notwith-

standing" language in Section 204 nullifies a statute that directs or restricts HUD's discretion in managing or disposing of multifamily properties. Instead, the court said that such language preempts only another statute that interferes with or hinders the objectives of the subject statute or contradictory provisions in the same statute.

In this case, the court found that neither the objectives of the National Housing Act nor the directives in the Disposition Reform Act conflict with the discretion Section 204 grants HUD. The broad mandates of these acts "cannot reasonably be construed as an impediment to the discretion Congress" granted HUD to manage and dispose of property, the court said.

### Exercise of Discretion

Section 204 gives HUD discretion to choose between alternative methods of achieving the national housing objectives. The court said it was "unwilling to find that Congress intended to grant HUD unfettered discretion and remove from courts the ability to determine if HUD's management and disposition decisions are consistent with the objectives and priorities of the National Housing Act."

Further, the court said both the Disposition Reform Act and the National Housing Act give the court a meaningful standard against which to judge HUD's exercise of discretion.

However, the court found that plaintiffs failed to show they have a likelihood of success on their claims. HUD is not ignoring its obligations to improve the living conditions at Parkview, the court said, as shown by the significant reduction in the number of city code violations at the complex. Although the complex still is in poor condition, it added, HUD has hired new management to help improve conditions and make more of the units habitable.

Plaintiffs also claimed HUD failed to give residents notice of the current disposition plan, but the court said the plans were neither final nor imminent, and plaintiffs could not show inadequate notice or absence of an opportunity to offer input to HUD's plan.

Because plaintiffs failed to establish a factual basis for their claims, the court denied their motion for a preliminary injunction.

### PUBLIC HOUSING

## Ban on Signs on Doors Violates Residents' Free Speech Rights

A Seattle Housing Authority (SHA) regulation prohibiting the posting of signs on the exterior of apartment doors violated residents' free speech rights, the Washington Supreme Court, En Banc, ruled, in a 5-4 decision. (*Resident Action Council v. Seattle Housing Authority*, No. 80006-5, 2008 WL 43873 (Wash.), January 3, 2008)

Under SHA house rules, which are incorporated in tenant leases, public housing residents have the obligation to maintain the interior and exterior appearance of their buildings.

House Rule 42, which is at issue in this case, bans all signs, flyers, placards, advertisements, and "similar ma-



terial" from exterior walls, interior common area walls and doors, and the surfaces of unit doors that face the hall or outside.

After the SHA refused to withdraw or modify the rule, the Resident Action Council (RAC), a nonprofit organization composed of elected tenant representatives from public housing communities, filed suit, claiming that the rule violated residents' right to free speech under the federal and state constitutions.

### Rule Challenged

RAC moved for summary judgment, seeking an order declaring the rule unconstitutional and enjoining the SHA from enforcing it.

The superior court found that the signs and materials posted on exterior surfaces of doors are constitutionally protected speech under the First Amendment.

The superior court also found that the SHA's asserted interests in the appearance of its buildings and in avoiding hostility among residents generated by signs were not sufficiently compelling to justify the regulation.

The superior court permanently enjoined the SHA from enforcing the rule in any way that infringed on tenants' rights to use their doors for expressive purposes. The state supreme court accepted certification of the case from the court of appeals.

### Court Ruling

The first issue, according to the court, is who has control or ownership of the exterior of the door, since restrictions on signs would be viewed more leniently under SHA ownership.

The court noted that under *Andrews v. McCutcheon*, 17 Wn.2d 340, 135 P.2d 459 (1943), areas that are necessary to a tenant's use of the premises and are for the exclusive use of the tenant and the tenant's invitees pass as an appurtenant to the leased premises, even if not specially mentioned in the lease.

The court said the reasoning in *McCutcheon* applies to the instant case. "When a door is necessary to a tenant's use of the premises, and is for the exclusive use of the tenant and the tenant's invitees, it passes as an appurtenant to the leased premises and is part of the leased premises," the court said. "Put simply, the door that opens to the tenancy passes to the tenant unless the lease provides otherwise."

The court rejected the SHA's argument that the general rule stated in *McCutcheon* should not apply because it retained control over the doors, finding that the facts in the case do not establish a reservation of control. The court also held that the SHA's statutory responsibility for maintenance of the doors does not carry with it an implicit retention of control.

### First Amendment Rights

Having found that the tenants control their doors, the court also agreed with the plaintiff that the U.S. Supreme Court ruling in *City of Ladue v. Gilleo*, 512 U.S. 43 (1994), is controlling.

In *Gilleo*, the Court struck down a city ordinance prohibiting the erection of a wide variety of signs on residential property as a violation of the First Amendment, finding that it banned "too much" speech.

Similarly, the court here found the SHA rule to be overly restrictive. "It does not matter that SHA tenants lease and do not own the unit. *Gilleo* makes no distinctions between privately-owned residences and publicly-owned surfaces leased as part of a residence to a private tenant," the court said. "A sign placed on a unit door by the resident under these circumstances is a residential sign. We find *Gilleo*'s analysis persuasive and conclude that the rule violates the First Amendment rights of [public housing] tenants."

### Dissent

In a dissenting opinion, Justice Madsen, with the concurrence of three other justices, argued that the majority improperly struck down Rule 42 because it used the wrong forum analysis for a question of access to public property.

Justice Madsen explained that there are three categories of public property — traditional public forums, property designated as public forums, and nonpublic forums — with the apartment buildings at issue falling in the nonpublic category. Speech in nonpublic forums may be restricted if the restriction is content-neutral and reasonable in light of the forum's purpose, Madsen said, and Rule 42 satisfies those requirements.

Justice Madsen also found, contrary to the majority's assertion, that the SHA, as landlord, has expressly retained control of the exterior apartment doors.

Finally, Madsen said *Gilleo* is inapplicable because it involved an ordinance adopted under the city's police power, while Rule 42 case was adopted by the SHA in its capacity as a landlord.

### SECTION 8

## Court Upholds Subsidy Termination After Eviction for Failure to Pay Rent

The Minnesota Court of Appeals affirmed the termination of Section 8 benefits after a tenant was evicted for failure to pay rent, holding that the evidence supported termination, the decision was thorough and complied with regulatory requirements, and the tenant received adequate notice of the reasons for termination. (*Gibbs v. Metropolitan Housing and Redevelopment Authority*, No. A06-1612, 2007 WL 4563920 (Minn. App.), December 31, 2007)

Section 8 tenant Rose Gibbs failed to pay her portion of her rent for several months, she was evicted, and the Metropolitan Housing and Redevelopment Authority (MHRA) notified her that her rental assistance benefits would be terminated due to the eviction. MHRA help an informal hearing, and the hearing officer upheld the termination of her Section 8 benefits.

Gibbs alleged that the decision to terminate her benefits was not supported by substantial evidence because

the housing court's eviction judgment was not on the record and the housing court did not make a finding that her lease violation was serious.

### Termination of Assistance

The court noted that HUD regulations provide that a housing authority must terminate program assistance for a family evicted from assisted housing for serious lease violations. Regulations also give authorities the discretion to terminate program assistance if the family violates family obligations under the program.

According to the plain language of the statute, the court noted, MHRA was required to terminate Gibbs' assistance if she was evicted for a serious violation of the lease. Applicable HUD regulations do not define what constitutes a serious violation of the lease.

However, other HUD regulations authorize a landlord to terminate a lease for a Section 8 tenant's failure to pay rent, which is defined as a serious lease violation. Because failure to pay rent is a serious violation under HUD regulations, the court said, the termination of her Section 8 benefits was supported by substantial evidence.

The court said an agency ruling is arbitrary and capricious if the agency failed to consider an important aspect of the problem. A housing authority has discretion to terminate assistance under 24 C.F.R. Section 982.552(c)(2) and may consider all relevant circumstances. However, a hearing officer is not permitted to consider a particular hardship that would result from the termination of benefits if the tenant was evicted and benefits were terminated under the mandatory-termination provision of Section 982.552(b)(2).

The record showed that Gibbs was given the opportunity to present hardship evidence, and the hearing officer considered it, but stated that the extenuating circumstances did not change her decision.

### Due Process Challenge

Gibbs claimed that the notice she received violated her due process protections, but the court said that MHRA's notice met regulatory requirements: the notice stated the reasons for termination and informed her of her right to request a formal hearing. Gibbs also argued that the notice did not cite any HUD regulations, and she could not know the grounds for termination of her assistance. However, the court pointed out that Gibbs signed MHRA's Statement of Responsibility and knew that her Section 8 assistance would be terminated if she was evicted.

Gibbs asserted she was denied due process because MHRA changed its legal theory between the hearing, when it said it based its decision to terminate on the discretionary section, and this appeal, when it argued that it based the termination on the mandatory section. She argued that she would have challenged the eviction on the basis that her lease violation was not serious if she had known MHRA was terminating her assistance based on the mandatory provision.

### Court Ruling

The court found that although MHRA changed its legal theory, Gibbs was not denied the opportunity to defend

herself. In fact, during her hearing, she did challenge the seriousness of her lease violation. She also argued that the hearing officer's decision did not contain a finding of "serious" lease violation, as required for termination of assistance under the mandatory provision of Section 982.552(b)(2).

The court disagreed, saying the record showed that the hearing officer based her decision on the mandatory provision. HUD regulations mandate only a written decision, with a brief statement for the reasons for the decision.

Finally, the court said a hearing officer must summarize the testimony and exhibits, describe inconsistencies that require credibility determinations, and show that she considered all relevant evidence. The court held that the hearing officer met these requirements and did not violate any of Gibbs' rights.

The court affirmed the decision of the hearing officer to terminate Gibbs' Section 8 assistance.

### FAIR HOUSING

## Reasonableness of Request to Keep Dog in Apartment Requires Factual Determination of Need for Animal

The Iowa Court of Appeals reversed summary judgment against a tenant who claimed a housing agency failed to accommodate her mental disability and allow her to keep a large dog in her rental unit, finding the reasonableness of her request required a factual consideration of her needs for the service animal. (*State of Iowa ex rel. Henderson v. Des Moines Municipal Housing Agency*, No. 06-1144, 2007 WL 4553350 (Iowa App.), December 28, 2007).

Carol Henderson and her daughter kept two large dogs in their unit in violation of the lease agreement with the Des Moines Municipal Housing Agency, which allows one small pet per household with prior approval. The women purchased the dogs after they experienced two attempted break-ins at their apartment.

After a housing inspector discovered the dogs, the agency notified Henderson that she was in violation of the agency's pet policy and had to comply within 14 days or her lease could be terminated. Henderson's daughter and the daughter's dog vacated the unit, but Henderson asked that her dog be considered a service animal.

Her request was supported by a physician, who said that the dog was a psychiatric service dog and helped Henderson cope with post-traumatic stress disorder. She sought a reasonable accommodation to keep the animal in her apartment, but the agency denied her request.

### Discrimination Complaint

Henderson filed a housing discrimination complaint with the Iowa Civil Rights Commission, and the state filed a petition on her behalf after an administrative law judge found probable cause to support allegations of discrimination based on disability.

The district court granted summary judgment in favor of the agency, holding that there was no genuine issue as

to the material fact that at the time Henderson filed her request for a service dog accommodation, she was not qualified to reside in her unit because she was in violation of her lease agreement.

On appeal, the state argued that the district court improperly considered whether Henderson met the requirements of the pet policy since she was requesting a waiver of that policy as a reasonable accommodation for her disability. The court agreed.

### Reasonable Accommodation

Although the lease prohibited pets without first obtaining written permission, the lease also stated that a tenant could request a reasonable accommodation at any time during her tenancy. According to the lease, Henderson did not need prior permission from the agency for her requested accommodation of a service animal. She asked for that accommodation while her lease was still in effect and she was living in the apartment.

The court also said that the district court did not analyze whether the animal helped Henderson cope with her disability and erred in concluding that undisputed facts showed that Henderson was not a qualified handicapped individual. The court said the case presents genuine issues of material fact as to whether Henderson's requested accommodation is reasonable, given her mental health diagnosis and statements by her physician about her need for a service companion dog.

The court said a court should consider the individual's need for the service animal and the effectiveness of the animal in resolving disability-based problems when determining the reasonableness of a requested service animal accommodation. Henderson claimed that she is in a persistent state of fear due to domestic violence she suffered more than 10 years ago, and she relies on her dog

to walk ahead of her into a room to alleviate her fear that an intruder is there. She also trained him to turn on lights in a dark room and bring her cell phone to her.

The court concluded that reasonable minds could differ about whether Henderson's requested accommodation was reasonable, based on her mental condition. It noted that other courts have determined that the question of whether a dog is a reasonable accommodation for a tenant's mental disabilities is a question of fact, not law.

The court reversed the judgment of the district court and remanded for further proceedings.

## Courts in Brief

**The U.S. Supreme Court has denied certiorari in a case** in which the Sixth Circuit held that a fair housing organization incurring pre-litigation expenses in hiring and training testers has standing to sue for discrimination against the disabled in the design and construction of multifamily housing developments. (*WKB Associates, Inc. v. Fair Housing Council, No. 07-421, 2008 WL 59848 (U.S.), January 7, 2008*; for background, see *Current Developments, Vol. 35, No. CD-1, p. 24.*)

**The U.S. Court of Appeals for the Eleventh Circuit has upheld a district court ruling denying tenants' motion to intervene in a Rural Housing Service (RHS) prepayment case.** (*Meadowfield Apartments, Ltd. v. U.S., No. 07-13256, 2008 WL 63413 (11th Cir.(Fla.)), January 7, 2008*)

The court noted that the tenants, like the defendant federal government, are seeking a declaration that federal law bars the prepayment. In addition, the court said any judgment regarding prepayment would not affect the tenants' rights under their leases.



# Legislative Prospects for 2008

The flurry of housing topics taken up by the Democratically-controlled Congress during the first session of the 110th Congress

foretells a likewise busy second session in 2008. PHADA will be especially focused on FY 2009 Appropriations, SEVRA/HIP, HOPE VI and Congressman Sires' asset management bill.

## Appropriations

The FY 2009 Appropriations process begins in just a few weeks when the White House sends its budget proposal to House and Senate Budget Committees. The PHADA Board of Trustees Executive Committee will be working with staff to determine the funding need levels for public housing programs for FY 2009. The FY 2008 appropriations process just ended after the Congress wrapped 11 separate spending bills into one large omnibus bill. Three continuing resolutions kept the federal government operating during the three months of protracted negotiations. The Omnibus bill passed the Congress and was signed into law by President Bush on December 26th.

## Authorizing Legislation

Financial Services Committee (FSC) Chairman Barney Frank (D-MA) brought welcomed attention to the housing crisis facing low-income renters. Key to that discussion was the operational, capital and policy needs of public housing. Chairman Frank was especially supportive of members of the FSC Housing and Community Opportunity Subcommittee in their pursuit of legislative solutions to housing needs. Subcommittee Chairwoman Maxine Waters (D-CA) also held a series of public hearing on affordable housing topics. Between Representatives Frank and Waters, they addressed virtually every key affordable housing issue before their agendas were overtaken by the expanding mortgage crisis. House hearings covered Section 8 voucher reform, homelessness, Katrina, the National Housing Trust Fund, HOPE VI, late HAP payments for Project-Based projects and more. The hearings generated a steady stream of legislation. Some legislation passed the House only to languish in the Senate, while other pieces of legislation have yet to be formally introduced. Key authorizing bills that will be considered during the second session of the 110th Congress include:

### Section 8 Voucher Reform Act (SEVRA)

SEVRA commanded the attention of the industry during the first session and will likely do so in the second. In the House, Subcommittee Chair Maxine Waters took up SEVRA in May and shepherded it through the full committee and to the House floor where it passed 333 to 84 on July 12th. The House bill included the Housing Innovation Program (HIP) formerly known as Moving to Work (MTW). The complex bill offers both

welcomed regulatory relief as well as some features that could complicate the relationship between landlords, voucher holders and housing authorities. Some of the key features of the bill are:

**Initial inspections** – The bill allows HAs to pay the first month of HAP for units that fail the initial inspection for non-life threatening deficiencies. This provision provides cash flow to the landlord and protects the family from disruption. The bill also provides for occupancy of a unit that has had a satisfactory inspection within the last 12 months by another federally assisted program. HAP payments can be applied retroactively to the beginning of the lease term after the initial HQS inspection.

**Interim inspections** – The bill proposes several changes to the voucher program about when inspections will take place once a HA is notified of a HQS deficiency. The bill prescribes a timetable for “interim” inspections – 24 hours in the case of life threatening conditions and within 15 days for other deficiencies. Owners would also have a timetable for making repairs identified in the inspections – within 24 hours of notice by the HA of a life threatening deficiency and within 30 days for other repairs. Families residing in a unit where the HAP contract has been terminated because of HQS deficiencies would be allowed to stay in the unit unassisted. In this situation, the HA will allow the family 90 days to find a suitable replacement unit or give preference to the household for the next available public housing unit after the 90-day period. Two of the more controversial aspects of the House SEVRA bill are provisions that: makes it permissible for HAs to make repairs to properties owned and controlled by private landlords and/or management companies to cure HQS deficiencies. After the industry raised concerns, Representative Waters added a provision that would limit the liability of HAs from injuries or damage caused in the course of those repairs. The other provision that could be potentially costly to HAs is the requirement to pay out withheld HAP payments to voucher holders relocating because of HQS deficiencies.

**Reinspections** – House SEVRA allows HAs to reinspect HCV properties every other year instead of the current requirement to inspect annually. HAs would be able to target well maintained properties less frequently while maintaining annual inspections for properties with less consistent inspection histories.

**Income Recertifications** – Provides a statutory threshold of \$1,500 increase in adjusted household income to trigger income recertification and the concomitant rent recalculation. If, on the other hand, the adjusted household family income falls by at least \$1,500 the family must request an interim recertification and rent recalculation.

**Adjustments to Income** – House SEVRA eliminates the child care education, earned income disallowance and the provision for individual savings accounts. It also raised the elderly deduction from \$400 to \$725 and the dependent deduction from \$480 to \$500. The medical deduction from elderly and disable households grew from 3% to 10%.

**Asset test** – Public housing tenants will be subject to an asset test to determine eligibility for admission or continued residency. Households

*See “prospects,” continued on page 5*

## ...“prospects”

*Continued from page 4*

cannot own assets in excess of \$100,000 or own a housing unit in which they can reside.

**HCV Renewal Funding** – The bill authorizes tenant-based voucher renewal funding based on units and their related costs, and moves away from the block funding approach favored by HUD in recent years. Funding would be calculated on the leasing and cost data from the previously calendar year plus adjustments for specialized first time vouchers and vouchers ported-in during the previous year.

**Project-based Section 8** – the House SEVRA raises the limit on the amount of Section 8 HCV that can be project based from 20% to 25%. HAs assisting homeless households would be allowed to project base 30% their vouchers.

**Housing Innovation Program (HIP)** – the House bill makes the HIP program permanent for ten years and provides 60 slots for participating HAs. This represents 36 new full HIP slots in addition to the 24 current program participants. Additionally, there are also 20 slots 20 “HIP Light” agencies who only seek the ability to combine funding sources. These agencies would not have the same ability of “full” HIP agencies to change rent, admission and occupancy rules.

In order to take advantage of the HIP fungibility of Section 8 and Section 9 funds agencies would initially need to have a voucher utilization rate

of 95% in the calendar year prior to admission to HIP. Failing that, HAs would be able to use fungibility after program admission and after 12 consecutive months of 95% utilization.

Existing MTW participants will have 2 years to become compliant with new HIP provisions in SEVRA

## Senate SEVRA

The Senate has yet to take up SEVRA. The Senate waited until the House completed its work on SEVRA before offering a bill by Senator Dodd (D-CT). The bill is being finalized for introduction early in the year. The draft version does not include the Housing Innovation Program (HIP). The Senate version also seems to have several material differences from the House-passed version. PHADA will report on the Senate bill in further detail when the Dodd bill is introduced.

## HOPE VI

The House and Senate have companion bills for the HOPE VI program. Senator Barbara Mikulski (D-MD) and Representative Maxine Waters are the respective sponsors of legislation to reauthorize the HOPE VI program. Both sponsors propose substantial change to the program but with very different emphases. Senator Mikulski’s bill (S.829) wants to retain the HOPE VI program’s redevelopment aspects, but add new responsibility on housing authorities to monitor and improve educational outcomes for public housing residents, especially children. She also seeks more responsive and thorough relocation efforts.

*See “prospects,” continued on page 13*

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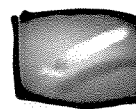
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## Palmdale probation sweep nets five arrests

*This story appeared in the Antelope Valley Press  
Thursday, January 24, 2008.*

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PALMDALE - Five people were arrested Wednesday on suspicion of violating probation regulations during a compliance search throughout the city, sheriff's officials said.

Sheriff's deputies seized marijuana, ammunition, gang paraphernalia and an illegal knife during Wednesday's early-morning search of 10 homes, said Community Deputy Jon Hoyt of the Palmdale Sheriff's Station.

Four people were arrested in connection with misdemeanor warrants and another was held on suspicion of a felony warrant, he said.

A teen also was arrested during the search, which included about 22 deputies, two Section 8 investigators, two probation officers and a city building and safety officer, he said.

"Everyone was very cooperative," Hoyt said.

For Wednesday's search, sheriff's officials randomly selected individuals on probation and with arrest warrants, he said.

Three Section 8 recipients will be recommended for termination from the rental subsidy voucher program, Hoyt said.

Two homes were cited for building and safety violations, he said.

- VERONICA ROCHA

pasadenastarnews.com

Development 'a lemon'?

## County official rips Lincoln Crossing

By Elise Kleeman, Staff Writer

Article Launched: 01/24/2008 11:23:11 PM PST



Helga Kuhn, owner of Bessie's Daughter's Soulful Tacos, in front of development on the 2200 block of Lincoln Ave., in Altadena on Thursday, Jan. 24, 2008. According to Kuhn, who has been at the location for one year, the Los Angeles Planning Commission has said the development is a "lemon" and that work was negligent at the entire site. Kuhn noted that she has had sewer odors since she's been at the location and water comes in through the back door on rainy days. (Raul Roa/Staff photographer)

**ALTADENA** - In the past year alone, the Lincoln Crossing development has been plagued by leaks, floundering businesses, construction delays and lawsuits.

For some county planning commissioners, a persistent and seemingly inexplicable smell of sewage wafting through the shopping center seemed the final straw.

During a recent Planning Commission meeting, in which developer Dorn Platz requested a permit to decrease parking space requirements, business owner Helga Kuhn spoke out about the odor, prompting two commissioners to label the project "a lemon."

"This is a tremendous developer failure, a lack of monitoring, and I'll go on record with these comments," District 1 Commissioner Ester Valdez said. "The community deserves better than this, and they're not getting it."

Representatives for the developer and county Supervisor Michael Antonovich say, however, that the shopping center at Lincoln Avenue and Woodbury Drive is less a mismanaged disaster than a fledgling project shaking off growing pains.

"Perhaps before Commissioner Valdez disparages a project in the 5th District, she should have all the information," Paul Novak, planning deputy for Antonovich, said Wednesday.

"I think, overall, my concern is that Commissioner Valdez is only hearing from one segment of the community ... (the) five or six individuals who regularly complain about the project."

"We've heard from a lot of people that

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they're very happy with what's going on up there and look forward to seeing the rest of the development," said Dorn Platz representative Alicia Azpell.

Only a portion of Lincoln Crossing's first phase has been completed. The project's plans include four more phases.

But even officials of Dorn Platz's partner, West Altadena Development Corp., have expressed disappointment in the project's rocky course so far.

"It really boils down to the fact that ... you have a project that probably wasn't managed at the highest level, probably wasn't managed as well as it should have been," said Ray Carlisle, WADC's president.

Corde Carrillo, director of the county Community Development Commission's economic redevelopment division, which is charged with oversight of some parts of the project, declined to comment on Valdez's statements.

"We'd have to review that and see if we'd like to respond to it, as an agency, officially," he said.

He said he felt the CDC was doing a good job in its oversight of Lincoln Crossing.

Novak said the county is working hard to push the development toward successful completion.

County representatives, Dorn Platz and the

development's business owners now meet regularly to pinpoint and address potential problems.

The odor, which Valdez called "offensive" because it has persisted for more than a year, has posed a particular difficulty for the county and the developer to solve.

"Identifying the cause of that problem and remedying it has been a problem for everybody," Valdez said.

Vents on the businesses roofs have been moved four times and one possible source, the grease trap for Bessie's Daughter's Soulful Tacos, is now on a regular cleaning schedule, he said.

Still, Novak said, the county cannot resolve all the tension between the parties, which have built up over many months of construction delays and lease disputes.

"I think what we largely do is try to get them to be civil and professional toward each other, but we can't be there for every disagreement," Novak said.

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Housing Affairs Letter Stories posted week of 1/26/08 - 2/1/08

### ***Landlords Face Sec. 8 Clampdown***

New York: Landlords with six or more units in the five boroughs of New York City face penalties for refusal to rent to Sec. 8 voucher holders under an ordinance approved by the city council 39-8.

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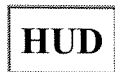
Mayor Michael Bloomberg (R) vows to veto the new law, contending it comes close to making low-income individuals a protected class. But the council vote is veto-proof.

The law bars using one's source of income as a factor in selecting a potential tenant, including Social Security and disability payments.

Under federal law, landlords have the option of refusing to rent to people with Sec. 8 vouchers and other government payments.

Bloomberg says the law ends up mandating a voluntary program and setting up a new bureaucracy to monitor violations. The ordinance will be enforced by the city Human Rights Commission.

02/01/2008 1:10 PM



### ***How Will Excess HUD Cash Be Spent?***

Going into the FY 2008 spending cycle, HUD had accumulated \$2.2 billion in unspent Sec. 8 housing voucher money.

The money, unspent by public housing authorities (PHAs) because they had fewer applicants for rental subsidies than anticipated, has been piling up since January 2005.

About \$723 million was applied to FY 2008 HUD spending, but that was rolled into the budget as if it was new money, allowing the Bush administration to shuffle cash into other areas.

What will happen to the \$1.5 billion balance is on the minds of housing advocates as the FY 2009 budget debate season begins.

Some fear the money will be diverted into other administration programs instead of support for dwindling housing initiatives.

02/01/2008 12:50 PM

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<b>State &amp; Local</b>
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***City To Buy Delinquent HUD Properties***

Alabama: Birmingham officials say the city will purchase properties owned by HUD under foreclosure and resell them to developers through a local real estate agent.

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The city can purchase the properties for \$1. The real estate agent, a broker and chairman of the city's Water Works Board, will be compensated by fees from developers.

02/01/2008 1:07 PM

## Edwards AFB unveils new, improved housing

*This story appeared in the Antelope Valley Press  
Wednesday, January 30, 2008.*

**By AIRMAN 1ST CLASS STACY SANCHEZ 95th Air Base Wing Public Affairs**

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EDWARDS AFB - After 11 months of demolition and construction, Team Edwards celebrated the completion of the Tamarisk Plains project during a Jan. 22 ribbon-cutting ceremony.

Tamarisk Plains replaced 67 concrete houses built in 1949 with 60 modern homes - 24 two-bedroom and 36 three-bedroom - for lieutenants and captains at Edwards Air Force Base.

The houses blend traditional California and Mediterranean styles with modern architectural features, said Joe Hunt, 95th Civil Engineer and Transportation Directorate housing project manager.

The new homes feature central air conditioning, interior and exterior bulk storage and double-car garages. Families can choose from nine different floor plans with 10 elevation styles.

"The homes you are seeing are a minor miracle," said James Judkins, director of the 95th Civil Engineer and Transportation Directorate. "We went through several challenges along the way, but we were able to overcome them to create some world-class homes. You don't do that without a lot of teamwork and love."

Vince Fong, representative for Rep. Kevin McCarthy, R-Bakersfield, said seeing these facilities finally up on base was a great day.

It meant a lot to come out and welcome the new homes into the Edwards inventory, said Col. Bryan Gallagher, 95th Air Base Wing commander.

Brig. Gen. David Eichhorn, Air Force Flight Test Center commander, said the new homes are a big step in the quality of life for Edwards.

**Subject: Affordable housing funding**

**Writer: Tony Krickl**

**Publication Date: February 2, 2008**

**Headline: Funding lost for affordable housing project**

The future of the affordable housing project on Base Line Road hangs in the balance after the Community Development Commission of the County of Los Angeles announced that it would not fund housing projects "located within 500 feet of a freeway or major urban roads."

The city and the developer of the project were expecting to get upwards of \$2.5 million through county-awarded funds. Without the county's financial backing, the city would be forced to dig deep into its own pockets or look to the state for alternative funding possibilities.

"Since the city doesn't have the additional funds available or set aside for affordable housing, the prospects for the project being developed are slim, at best," said Marc Gelman, developer of the proposed project.

The county decision was announced last Tuesday when the commission released its "notice of funding availability and program guidelines" for affordable multifamily rental housing projects within Los Angeles county. The commission awards funds through two separate programs: City of Industry funds and HOME funds.

Bill Huang, director of housing development for the commission, said the agency would not support projects near freeways because of recommendations from their environmental consultant and the California Air Resources Board, whose Air Quality and Land Use Handbook advises not to build housing projects within 500 feet of freeways.

"From a public health perspective, we felt that it was the right thing and the best thing to do," Mr. Huang said.

Despite the loss of funding, the city's main proponents of the project, Mayor Peter Yao and Mayor Pro Tem Ellen Taylor, are not ready to throw in the towel quite yet.

Mayor Yao said the city council will still consider taking on the burden of financing the project through either general fund or redevelopment agency money. A lower density project could be funded for roughly one million dollars, Mayor Yao said, or the council could decide to fund the entire \$2.5 million.

However other council members did not feel appropriating more of the city's money into the project was fiscally responsible. The city already spent nearly two million dollars on purchasing the land, \$155,000 on the Environmental Impact Report and is under commitment for another million dollars if the project somehow moves forward.

"Given our economic environment, I am not in favor of taking any more money out of the general fund," councilmember Linda Elderkin said.

Councilmember Sam Pedroza agreed.

"We've already invested a great deal of money and political commitment to this project," Mr. Pedroza said. "To take more out of the general fund while we are looking at the overall budget picture, doesn't seem like the best option."

"The parameters for this project have gotten a lot tighter, and I think we are coming to a point where we have to start looking at its finality," he added.

Opponents of the project feel vindicated by the commission's decision to deny funding to projects close to major freeways and are already discussing alternative uses for the site.

"I feel it was the only decision they could have made," said Linda Kovach, who has battled to project from its inception. "We are very happy."

While many have already labeled the project dead and buried, the city is still exploring alternative funding options. The state has a program for funding low-income housing projects under proposition 46, said Housing and Redevelopment manager Brian Desatnik.

But Mr. Gelman was not optimistic about the possibility, saying that several changes would need to

**Subject: Affordable housing funding**

**Writer: Tony Krickl**

**Publication Date: February 2, 2008**

be made to become eligible, most notably lowering the average income levels of residents of the project.

“The only way the project can get finished is if the city is willing to pump in a lot of money,” Mr. Gelman said. “That’s an internal decision.”

Largely praised by both proponents and opponents of the project, Mr. Gelman said he would be willing to work on another project within Claremont but only if there was “broader community support.”

The city council will discuss the affordable housing project and possible funding options at its February 12th council meeting to be held in Taylor Hall at Cahuilla Park.

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— Tony Krickl

## Housing Affairs Letter Stories posted week of 2/2/08 - 2/8/08

### Public Housing

#### *HUD Blindsides PHAs*

Immediately after going hat-in-hand to the Office of Management & Budget (OMB) to beg for leniency in annual performance reports, HUD turns on public housing authorities with a demand to increase tenant reporting performance from 95% to 97% annually.

Such an increase would give HUD executives extra wiggle room to squeeze more favorable performance reports out of OMB. The reports are used to gauge annual executive bonuses.

Adding fuel to the PHA blaze: the new order is permanent, even though HUD executed it arbitrarily with no advance hint of its scope.

PHAs are furious, gauged by the feedback *HAL* has received. The more than 3,000 PHAs now are working at 84% capacity—the Bush administration has trimmed operating subsidies by 16%, telling PHAs to make up the financial difference on their own. The cut has meant hundreds of firings nationwide, along with rent increases, utility payment absorption and additional service fees for tenants.

PHAs must file a report on each tenant, every time there is a change in the tenant's status. Consequently, understaffed and financially-strapped agencies devote a majority of their effort to filling out the 20-page documents—with 43 pages of instructions on how to negotiate the maze—and file them electronically, hoping a glitch in HUD's shaky computer system won't destroy the effort.

"The department's Annual Performance Plan (APP) goal for accurate and timely Form HUD-50058 reporting increased from 95% to 97% in FY 2008," HUD says in a notice (PIH 2008-11) to PHAs. "As a result, the department increased the minimum public housing reporting rate to avoid sanctions from 95% to 97%."

The sanctions mentioned would be levied by OMB on HUD, meaning the executive tier bonus pot would be squeezed.

Since HUD isn't about to take blame when it can be dispersed, PHAs are told to pick up the burden.

"In order to fully justify its budget requests to Congress, the department requires full cooperation from all PHAs in meeting reporting requirements," the notice orders.

HUD scrambled to shift the burden after telling OMB it should not be held to an earlier performance standard, admitting the department is financially strapped because of congressional budget maneuverings and other factors out of its control.

Sources tell *HAL* the factors include plummeting morale and the quickening pace of an exodus of veteran employees who know HUD's inner workings, leaving the operation in the hands of a neophyte workforce and political cronies.

In addition, HUD's plea to OMB illustrates the shambles the department has made of the shift to a new public housing operating formula and managements of individual assets for budget purposes.

PHAs ask for some sort of "handicapping" arrangement to account for HUD's frequent snafus. Agencies are operating at their lowest financial capacity in decades while trying to meet the demands of a new and costly operational overhaul.

Instead of a break, HUD increases its performance demands in order to curry OMB favor, even while admitting in its 2008 performance report that fewer PHAs will meet HUD's inspection standards because of the administrative confusion.

The day before HUD slams PHAs with stricter reporting requirements, it tells OMB, "The adjusted target takes into consideration the reduction in actual resources available for improvement and maintenance, significant delays in the federal budget process, which excessively delayed FY 2007 inspection activities, as well as new, more stringent inspection standards that brought down scores in FY 2004 and FY 2005."

02/08/2008 11:41 AM



For Immediate Release  
February 4, 2008

Contact: Joe Feuerherd  
WK: 202-589-1854  
Cell: 301-938-7663

## **Housing Authorities Blast Proposed Reductions; Administration Policy of 'Cut and Run' from Urban American Decried**

Massive cuts in affordable housing programs included in President Bush's proposed budget will hit the working poor, disabled people, and seniors the hardest while dismantling the crown jewel of the Federal Government's efforts to revitalize and redevelop city neighborhoods.

"The administration's housing budget takes precisely the wrong approach to the problems of homelessness and high-rents at a critical time," said Michael Kelly, president of the Council of Large Public Housing Authorities (CLPHA) and executive director of the Washington DC Housing Authority. "Nearly 16 million American families pay more than half their income to keep a roof over their heads, while another 750,000 citizens have no roof whatsoever," said Kelly. "Instead of summoning the will and resources to deal with this national crisis, the administration proposes that we cut-and-run from our metropolitan areas," said Kelly.

Last month, a large bipartisan majority of the House of Representatives authorized \$800 million in federal spending for the "Hope VI" revitalization program, the much-heralded effort to integrate low-income neighborhoods into the economic mainstream of their communities. The program has preserved housing to serve the neediest while replacing traditional "public housing projects" with mixed-income neighborhoods in dozens of US cities. The Bush budget eliminates funding for HOPE VI.

In Washington, DC, for example, a previously-funded HOPE VI community will provide desperately needed housing and amenities to the community surrounding the new Washington Nationals baseball stadium. "In Washington and around the nation, HOPE VI has provided more than hope," said Kelly. "The program replaces the most distressed public housing with mixed-income neighborhoods funded primarily through private sector investment, spurs additional investment and job creation, and builds safe neighborhoods rich in diversity and economic and social resources. It is beyond comprehension, a genuine tragedy, that the administration proposes to kill this successful effort."

In other areas, the Bush budget includes direct reductions of \$300 million to operate and maintain more than 1.2 million public housing units nationwide, and further reduces the number of rental assistance subsidies to the working poor, disabled and seniors by \$100 million. Under the Bush budget, the Public Housing Operating Fund, for example, will provide just 83 cents for every dollar it costs to manage an apartment; this year, HUD provides 84 cents for each dollar of operating costs.

*(More)*

“We’re not talking about cutting fat here – affordable housing programs have already been cut to the bone. We’re talking about a full scale retreat from the government’s commitment to housing for low and moderate income Americans,” said Kelly. Housing authorities nationwide have been underfunded by nearly \$12 Billion over the past seven years, said Kelly.

Last year, CLPHA and other housing advocates worked with the new leadership in Congress to restore funds for public housing, HOPE VI, and Section 8 rental assistance included in previous years’ administration budgets. “We’ll be working with our many allies on Capitol Hill to restore what has been slashed, once again,” said Kelly.

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**Fact Sheet on Fiscal Year 2009 Administration Request for key Public Housing Programs Administered by the Department of Housing and Urban Development**

Housing Program	FY 2008 Appropriation	FY 2009 Administration Request	Actual Need <sup>1</sup>
Public Housing Operating Fund <sup>2</sup>	\$4.2 billion	\$4.3 billion	\$5.2 billion
Public Housing Capital Fund <sup>3</sup>	\$2.4 billion	\$2.0 billion	\$3.5 billion
HOPE VI <sup>4</sup>	\$100 million	\$0	\$800 million
Housing Choice Voucher Tenant-Based Renewals <sup>5</sup>	\$14.7 billion	\$14.6 billion <sup>6</sup>	\$15.4 billion
HCV Administrative Fees <sup>7</sup>	\$1.4 billion	\$1.4 billion	\$1.5 billion

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<sup>1</sup> The Council of Large Public Housing Authorities (CLPHA), the National Association of Housing and Redevelopment Officials (NAHRO), and the Public Housing Authorities Directors Association (PHADA), the national membership-based groups dedicated to the preservation and improvement of public housing, recently recommended these funding levels as necessary to support Public Housing and the Housing Choice Voucher program.

<sup>2</sup> The Public Housing Operating Fund is intended to provide the difference between the actual rent paid by a public housing resident and the cost of operations and management of each apartment unit. The program has not been fully-funded since 2002.

<sup>3</sup> The Capital Fund is intended to provide the money necessary to maintain and make improvements to public housing. Since 2000, capital improvements and maintenance have been underfunded by nearly \$9 billion. The FY 2009 administration request falls another \$1.5 billion short of actual need.

<sup>4</sup> Last month, the House authorized \$800 million in funding for this widely praised revitalization and redevelopment program.

<sup>5</sup> Housing vouchers allow low-income families and seniors to rent affordable housing in the private marketplace.

<sup>6</sup> The Administration did not provide a funding level for tenant-based renewals; CLPHA calculates the administration’s request based on the total amount requested for the program minus the administrative fees.

<sup>7</sup> Administrative fees compensate the nation’s 3,100-plus Public Housing Authorities for managing the Section 8 Housing Choice Voucher program.



mine the relationship between gross rents and shelter rents, but beginning with fiscal 2008, HUD is using American Community Survey (ACS) data where available.

HUD also publishes two AAF tables, each of which has both gross rent and shelter rent factors. Table 1 is generally used for a unit occupied by a new family since the last annual contract anniversary, while Table 2 is used for a unit occupied by the same family. Table 2 factors are 0.01 lower than Table 1 factors, though factors are never less than 1.

### Rent Adjustments

Because of statutory and structural differences among programs, each Section 8 program category has different adjustment procedures.

For Category 1, the AAF is applied to the pre-adjustment contract rent for new construction and substantial rehabilitation and to the pre-adjustment base rent for moderate rehabilitation.

The Table 1 AAF will be applied before determining rent comparability, which will apply if the pre-adjustment gross rent is above the published fair market rent (FMR). If the comparable rent plus any initial difference is lower than the contract rent as adjusted by the Table 1 AAF, the comparable rent plus initial difference will be the new contract rent. However, comparability can't be used to reduce the pre-adjustment contract rent.

If rent adjustments aren't restricted by comparability, the Table 1 AAF will be used for units with family turnover, and the Table 2 AAF will be used for units with no turnover.

Category 2 programs aren't subject to comparability, so rents will be adjusted by the full amount of the Table 1 or Table 2 AAF, depending on whether there has been a turnover in occupancy.

For Category 3, Table 2 is always used, and the AAF is applied before comparability, which always applies. If the comparable rent level is lower than the AAF-adjusted contract rent, the comparable rent level will be the new rent to the owner.

### RURAL HOUSING

## House Passes Bill to Facilitate Transfers of Section 515 Projects

The House passed legislation (H.R. 3873) January 23 to facilitate the transfer of Section 515 projects for preservation, rehabilitation, and continued use as low-income housing.

The bill directs the secretary of agriculture to make any administrative and procedural changes needed to expedite the approval of transfer applications, including increasing staff, improving outreach to project sponsors, changing approval authority between national offices and state and local offices, simplifying approval requirements, and establishing uniform transfer requirements.

The Agriculture Department would be required to consult with the Internal Revenue Service and HUD to simplify the coordination of rules and requirements for projects receiving different types of assistance, including

projects with low-income housing tax credits or tax-exempt bond financing.

### Processing Deadlines

The bill would give final authority over Section 515 project transfers to the Rural Housing Service's Office of Rental Housing Preservation, and it would establish deadlines for the processing of transfer applications.

Specifically state and local offices would have 45 days from the receipt of a completed application by the state rural development office to approve or deny an application for the transfer of a single project, 90 days for an application for two to 10 projects, and 120 days for an application of 11 or more projects.

Applications which aren't processed within the allowable time frames would be transferred to the Office of Rental Housing Preservation. That office would then have 30 days to approve or deny an application for a single project, 60 days for two to 10 projects, and 120 days for 11 or more projects.

### SECTION 8

## PHAs Will Share About \$76 Million In Remaining 2007 Set-Aside Funds

HUD will allocate about \$76 million in remaining fiscal 2007 Section 8 voucher funds to all PHAs on a pro rata basis, according to Notice PIH-2008-4 (HA), issued January 18.

In the fiscal 2007 continuing resolution, Congress set aside \$100 million for adjustments for PHAs that experienced a significant increase in voucher renewal costs due to portability or unforeseen circumstances and for adjustments for PHAs that could experience a significant cut in voucher funding and loss of units due to the shift to 12-month voucher management system (VMS) data in calculating renewal allocations.

According to the notice, HUD gave PHAs two opportunities to apply for the funds, and after all eligible requests were processed, about \$76 million is left.

### Allocation of Funds

HUD will allocate the remaining set-aside funds to all PHAs based on their share of housing assistance payments (HAP) renewal funding for calendar 2007.

PHAs that lost HAP funding due to quality assurance division reviews of calendar 2006 VMS data, Office of Inspector General (OIG) audits, or other actions will have their allocations reduced proportionately.

The notice also outlines HUD's plans for about \$8 million in special administrative fees.

HUD will provide up to \$500,000 for a one-time fee of \$5,000 for a PHA's implementation of a voucher homeownership program, up to \$500,000 for audits, and up to \$6.5 million for additional administrative fees for PHAs that have increased their leasing, exclusive of new units, since the baseline for administrative fees was established based on calendar 2003 leasing.

Any remaining funds may be used for additional administrative fee needs as determined by HUD.

## IDEAS AND TRENDS

### AFFORDABLE HOUSING

#### Study Finds Homeownership Slightly More Affordable in Housing Downturn

Homeownership has become slightly more affordable during the current housing downturn, but still remains out of reach for the majority of workers, according to an update of the Center for Housing Policy's Paycheck to Paycheck report on housing costs for working families. The Center is an affiliate of the National Housing Conference.

The updated study compares housing costs in more than 200 metropolitan areas with the wages earned by workers in 60 occupations, using data from the third quarter of 2007 and third quarter of 2006.

According to the study, the income needed to purchase a median-priced home dipped in 161 of 201 markets. Some of the biggest drops occurred in the largest, most expensive markets in California, Washington, D.C., Arizona, and Florida.

#### Affordability Problems

However, the Center found that affordability problems persist. Only a handful of markets previously not affordable to registered nurses, customer service representatives, and office clerks were affordable to these high-growth occupations in 2007.

In the majority of markets, homeownership remains unaffordable for these occupations, while for two other high-growth occupations — retail salespersons and food preparation workers — homeownership is out of reach in all the markets studied.

While rental housing is affordable to a greater range of workers, the Center found that those in low-wage occupations continue to struggle to afford the rents in many metro areas. Retail salespersons and food preparation workers can't afford the rent on a two-bedroom apartment in any of the 210 rental markets studied. Office clerks can't afford to rent without paying an excessive portion of income for housing in 94 markets.

Other occupations fare much better. For example, customer service representatives were priced out of 41 metro rental markets while registered nurses are able to afford the rents in all 210 markets.

#### Standards for Analysis

The Center followed conventional mortgage underwriting guidelines to determine homeownership affordability, assuming that no more than 28 percent of household income should be used to pay mortgage principal and interest, property taxes, and insurance. The study assumes a down payment of 10 percent.

Typical rents in the study are based on the 2007 and 2006 fair market rents (FMRs) issued by HUD. The weighted average 2007 FMR nationwide was \$848 a

month for a two-bedroom home, compared to \$821 for the 2006 weighted FMR. The study lists the hourly wage that must be earned by occupation so the rent does not exceed 30 percent of income.

The Center found that despite the new high-tech jobs added to the economy in recent years, traditional occupations are not being eliminated and in fact some of these jobs are expected to increase. The study draws on the updated Department of Labor's list of occupations with the largest expected growth through the years 2002 to 2012. Other occupations in the study are those with a large number of practitioners or that serve essential roles, such as police officers, teachers, and firefighters.

("Paycheck to Paycheck: Wages and the Cost of Housing in America" is available at [www.nhc.org/chp/2007](http://www.nhc.org/chp/2007).)

### COMMUNITY DEVELOPMENT

#### Affordable Housing Ranks Seventh On List of Issues Facing Communities

Affordable housing ranked seventh on a list of the top issues facing American communities in a survey conducted for the U.S. Conference of Mayors (USCM) by Zogby International.

A report on the survey was released at the USCM winter meeting in Washington January 23.

Respondents were asked to name the top three issues for their community, and local taxes, including property taxes, ranked first, being listed by 38 percent. Affordable housing was considered a top issue by 19 percent of the respondents.

Local job development and business development ranked sixth, at 22 percent; the housing market, ninth, at 19 percent; and poverty, homelessness, and unemployment, 11th, at 14 percent.

#### Views on Affordable Housing

The survey was split about evenly on the question of the supply of affordable housing, with 45 percent saying there is enough housing and 46 percent taking the opposite view.

Respondents living in Florida, New York City, Boston, and the West Coast are far more likely to believe there is an inadequate supply of affordable housing, according to the report.

Also, 49 percent of urban respondents said there is a shortage of affordable housing, compared with 43 percent each for suburban and rural residents.

Thirty-three percent of the respondents said providing affordable housing is not a government responsibility. Of those who did see affordable housing as a government responsibility, 24 percent said it should be provided by the state government; 18 percent, local government; and 14 percent, the federal government.

## Green Development

The survey found strong support for local environmentally friendly development.

Fifty-nine percent of the respondents said that "going green" would have a positive effect on the local economy, and 66 percent said it would make their community a better place to live.

When respondents were asked for their top three spending priorities for local government, public safety, education, and emergency services ranked highest, with 59, 55, and 49 percent, respectively, followed by infrastructure, 38 percent; affordable housing, 20 percent; and business development, 18 percent.

(The report is available at [www.usmayors.org/76thWinterMeeting](http://www.usmayors.org/76thWinterMeeting).)

## MORTGAGE FINANCE

### FHA Multifamily Activity Down from Year-Earlier Totals

HUD issued or reissued firm commitments for 199 FHA and risk-sharing multifamily loans for \$1.077 billion and 21,539 units or beds during the first quarter of fiscal 2008, according to department figures.

The figures for the first quarter of fiscal 2007 were 232 loans for \$1.177 billion and 25,882 units or beds.

The fiscal 2008 total includes 190 FHA loans for \$1.007 billion and 20,683 units or beds and nine risk-sharing loans for \$70.6 million and 856 units.

### FHA Commitments

The FHA financing by category includes 30 apartment-

cooperative new construction/substantial rehabilitation loans for \$288.0 million and 4,700 units; 55 Section 232 health care loans, \$315.0 million, 5,656 units or beds; 82 Section 223(f) apartment purchase or refinancing loans, \$364.0 million, 8,325 units; and 23 Section 223(a)(7) apartment refinancing loans, \$39.5 million, 2,002 units.

The new construction/substantial rehab loans include 27 Section 221(d)(4) loans for \$279.2 million and 4,287 units, one Section 221(d)(3) loan for \$4.8 million and 108 units, and two Section 231 loans for \$4.0 million and 305 units.

The most active multifamily hub offices were Fort Worth, with 29 commitments; Jacksonville, 20; and Philadelphia, 19.

### Initial Endorsements

Also, 171 FHA and 13 risk-sharing loans were initially endorsed during the first quarter of fiscal 2008, for a total of \$1.024 billion and 19,349 units or beds.

The first-quarter fiscal 2007 totals were 312 loans, \$1.445 billion, and 33,109 units or beds.

The fiscal 2008 risk-sharing loans totaled \$91.3 million and 1,296 units.

The FHA loans by category include: new construction/substantial rehabilitation of apartments and co-ops, 26 loans, \$271.3 million, 3,648 units; Section 232 health care, 50 loans, \$342.8 million, 6,113 units or beds; Section 223(f) apartment purchase or refinancing, 75 loans, \$244.9 million, 6,137 units; Section 223(a)(7) apartment refinancing, 19 loans, \$71.9 million, 2,005 units; and Section 241(a) apartment/co-op improvements, one loan, \$1.3 million, 150 units.

## MORTGAGE FINANCE

## RESPA Doesn't Apply to Charge For Mortgage Payoff Statement

The Real Estate Settlement Procedures Act (RESPA) does not apply to a charge for a payoff statement for a mortgage prepayment because providing the statement isn't a settlement service, the U.S. District Court for the Eastern District, Southern Division, ruled. (*Molosky v. Washington Mutual Bank*, Civil Action No. 07-CV-11247, 2008 WL 183634 (E.D.Mich.), January 18, 2008)

When the plaintiffs paid off a home loan before maturity, they were charged a \$30 payoff statement fee and a \$14 recording fee, in addition to the unpaid principal balance and accrued interest on the loan.

They filed suit alleging that the payoff statement fee violated Section 8(b) of RESPA, 12 U.S.C. Section 2607(b), which prohibits the giving or receiving of any fee for a real estate settlement service other than for services actually performed.

The plaintiffs also asserted that assessment of the fees breached the parties' contract and violated the Michigan Usury Act and Michigan Consumer Protection Act.

### Court Ruling

The court first held that the state law claims were preempted by the federal Home Owners' Loan Act and regulations issued pursuant to that act by the Office of Thrift Supervision (OTS).

The court noted that OTS regulations, 12 C.F.R. Sections 560.2(b)(5) and (b)(12), explicitly preempt state laws relating to loan fees and usury ceilings.

The court also held that the plaintiffs failed to state a claim under RESPA for two reasons.

### Settlement Service

First, the court said, the payoff statement fee was not a fee "received for the rendering of a real estate settlement service," as required under Section 2607(b).

The court said there is "persuasive case authority" for the view that "settlement" means the conclusion of a transaction between a buyer and seller where money and property are transferred and therefore has no applicability to the satisfaction or prepayment of a mortgage.

The court cited *McAnaney v. Astoria Financial Corp.*, 357 F.Supp.2d 578 (E.D.N.Y. 2005), *Bloom v. Martin*, 77 F.3d 318 (9th Cir. 1996), and *Greenwald v. First Federal Savings and Loan Association*, 446 F.Supp. 620 (D.Mass. 1978).

### HUD Regulations

Moreover, the court said, HUD's RESPA regulations, 24 C.F.R. Section 3500.2(b), define "settlement" as "the process of executing legally binding documents regarding a lien on a property that is subject to a federally related mortgage loan. This process may also be called 'closing' or 'escrow' in different jurisdictions."

"Clearly," the court said, "the allegations in the present case fail to state a claim under RESPA because the fees at issue were not assessed at or prior to the settlement."

Even if RESPA were expanded to cover fees imposed in connection with a loan payoff, the court added, the plaintiffs' Section 2607(b) claim would still fail because there was no allegation of fee-splitting.

"The overwhelming weight of the case law holds that overcharges, such as alleged in this case, are not covered by Section 2607(b)," the court said.

### SECTION 8

## PHA's Evidence Is Insufficient to Justify Termination of Assistance

Evidence introduced by a public housing authority at a Section 8 tenant's termination hearing was insufficient to meet its burden of persuasion in showing that a rule was violated, ruled the U.S. Court of Appeals for the Eleventh Circuit. (*Basco v. Machin*, No. 07-11368, 2008 WL 182249 (11th Cir. (Fla.)), January 23, 2008)

Teresa Basco received Section 8 assistance through her local PHA, the Hillsborough County, Fla., Health and Social Services Department.

Based on an anonymous tip from a neighbor about a disturbance and arrest at Basco's apartment, the PHA investigated and obtained two police reports (dated five months apart) that described "Emanuel Jones" and "Elonzel Jones" as living on the premises. No one named Jones was on the lease, which listed only Basco, her husband Joseph, and their five minor children.

Based on these reports, the PHA sent Basco a notice that it intended to terminate her assistance because of the presence of an unauthorized resident in her unit. The notice implied that the PHA believed that Emanuel Jones and Elonzel Jones were the same person and had been living continually in the unit for at least five months, in violation of the PHA's rules about maximum length of stay for a visitor.

### Pretermination Hearing

Basco requested a pretermination hearing, presided over by an impartial hearing officer appointed by the Tampa Housing Authority, which is distinct from the PHA. During the hearing, the PHA offered as evidence the copies of the two police reports.

One report said that Joseph Basco gave a sworn statement that his stepdaughter had run away with a man named Emanuel Jones, who was living in the unit, but the statement was not included in or attached to the report. The other report listed Elonzel Jones as a witness to an alleged battery on Joseph Basco by his stepdaughter and gave the Section 8 unit as his address.

At the hearing, Basco presented a notarized letter from Jones' mother stating that he had lived only at two addresses, neither of which was Basco's. Basco also asked the hearing officer to allow her husband to testify directly by telephone to rebut the alleged statement in the first police report. The hearing officer denied her request and upheld the termination.

The Bascos sought to overturn the hearing officer's decision and presented new evidence to the PHA, including a notarized letter from Jones stating that he never

lived in the unit. After several reviews of the file, the PHA denied the appeal, saying that the burden of proving that Jones was a visitor was on the family, and the family did not meet that burden.

### Due Process Challenge

The Bascos filed suit, alleging deprivation of their right to procedural due process. They claimed that the PHA denied them the opportunity to confront and cross-examine witnesses and improperly placed the burden of proof on them, rather than the PHA, which sought to terminate their housing assistance. The district court granted summary judgment in favor of the PHA, and the Bascos appealed.

The court said the issues before it were whether the PHA or the Section 8 participant had the burden of persuasion in this type of administrative hearing and, if the PHA had the burden, whether due process allowed the PHA to meet that burden by the submission of copies of police reports.

The court said that HUD regulations do not explicitly address which party has the burden of persuasion, but the court said that the PHA had the initial burden to establish a prima facie case that an unauthorized individual has exceeded the lease definition of visitor. Then, the Section 8 participant has the burden to show that the individual is a visitor.

The remaining issue for the court was whether the Bascos' due process rights were violated by the hearing officer's determination that the PHA met its burden of persuasion by submitted unauthenticated copies of two police reports.

### Court Ruling

The court said that "[a]lthough the rules of evidence are not strictly applied in administrative hearings, there are due process limits on the extent to which an adverse administrative determination may be based on hearsay evidence."

The court said it need not consider the description in one police report of Joseph Basco's alleged written sworn statement. It was not attached to the report and is insufficient alone to establish that Jones was an unauthorized resident, the court said.

Accordingly, the court said it would consider the police reports only as to the statements allegedly made by Emanuel and Elonzel. The court noted that such hearsay statements generally wouldn't be grounds for an adverse administrative determination since the Bascos could not subpoena the police officers, Emanuel, or Elonzel for cross-examination.

In this case, however, the court said it need not consider whether that deficiency would constitute a violation of due process.

### Insufficient Evidence

Even assuming that the hearing officer could properly consider the police reports and statements, the court said, the documents did not establish that Emanuel and Elonzel were the same individual, and, therefore, did not address the length of stay at the Bascos' residence.

Therefore, the court explained, "the police reports presented by the PHA were legally insufficient to establish a prima facie case that either Emanuel or Elonzel had resided at the Bascos' residence" for the requisite period to establish him as a resident, rather than a visitor.

The court concluded that the PHA had the burden of persuasion at an informal administrative hearing to determine whether a Section 8 participant's housing subsidy should be terminated. In this case, the court found that the hearing officer erred by relying on legally insufficient evidence to terminate Basco's Section 8 assistance.

The court reversed and remanded for further proceedings consistent with this opinion.

## SECTION 8

### Termination Notice Must Comply With Lease Terms, Federal Law

Unless a termination notice complies with lease terms and federal law, an owner is not entitled to terminate a Section 8 tenancy or take possession of the property, ruled the Wisconsin Court of Appeals. (*Lakeside Gardens v. LaShay*, No. 2007AP1246, 2008 WL 141134 (Wis.App.), January 16, 2008)

Management personnel who entered Section 8 tenant Nyla LaShay's apartment for an emergency repair of a water leak saw two cats, in violation of the lease. Management gave LaShay a 10-day termination notice for violating her lease during which time she had to remove the animals. When they returned to inspect the unit about two weeks later, LaShay would not let them enter.

The landlord filed an eviction complaint with the small claims court. LaShay answered the complaint, and on the day of the hearing, the court heard from lawyers and interested parties, but did not swear in any witnesses. The lower court ruled in favor of the landlord, and LaShay appealed and stayed the eviction.

### Court Ruling

The court said one issue was dispositive, but it did list all the other issues LaShay raised, including improper notice, lack of proof that the cats were still on the premises, the summary nature of the court proceeding, and her lack of opportunity to be heard. She claimed she was denied due process.

The dispositive issue, according to the court, was that the termination notice did not comply with federal law. When LaShay's lawyer pointed out that the notice provisions for Section 8 tenants must comply with federal laws, the small claims court declared that this was a contractual situation and the landlord had to comply only with the terms of the lease, not other standards or guidelines.

When her counsel again raised the issue of federal regulations, the small claims court suggested that she take her claim to district court because he was focusing on the terms of the lease.

The court held that the small claims court erred. It ruled that an owner is not entitled to terminate a Section 8 tenancy or to possess the property unless it complies with the lease terms and federal law.

# Los Angeles Times

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<http://www.latimes.com/business/la-fi-fund5feb05,1,543776.story>  
*From the Los Angeles Times*

## Fund to acquire apartments for 'workforce' housing

Phil Angelides, Earvin 'Magic' Johnson team with investment firm.  
By Roger Vincent  
Los Angeles Times Staff Writer

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February 5, 2008

Former California State Treasurer Phil Angelides has joined forces with ex-basketball star Earvin "Magic" Johnson and a Beverly Hills investment firm to buy and improve more than \$2 billion worth of urban apartment complexes across the country.

Angelides said Monday that he was chairman of the newly created Canyon-Johnson Urban Communities Fund, which will focus on acquiring and upgrading apartments in inner-city neighborhoods to create more "workforce" housing.

Such housing for sale or rent is intended to serve families that have moderate incomes but still have trouble finding places they can afford to live in the cities where they work.

"We are not doing luxury lofts," Angelides said. "We are talking about secure housing for firefighters, police officers, clerks -- people who are the backbone of our communities."

Urban planners in recent years have tried to encourage the creation of more workforce housing because rising home values have driven many middle-income workers out of the city, often forcing them into long commutes to their jobs and changing the character of neighborhoods they leave behind.

"In high-cost areas like Los Angeles and Southern California, workforce housing is critically needed," said Con Howe, managing director for CityView Los Angeles Fund, which finances construction of such housing and is not connected to Angelides.

Canyon-Johnson's plan "adds the rental piece to what others are doing in for-sale product," Howe said.

The fund expects to raise about \$1 billion from pension funds, endowments and other institutional investors, said Bobby Turner, managing partner of Canyon Capital Realty Advisors, the Beverly Hills investment firm. That money will be used to leverage purchase of more than \$2 billion worth of apartments with about 10,000 units starting this spring.

Older complexes with more than 150 units will be targeted in Los Angeles, the Bay Area, Chicago, Washington, New York and Boston, Turner said.

Buildings will be spruced up with new amenities such as swimming pools and recreation rooms. They will also receive "green" improvements such as solar heating and energy-efficient appliances.

"We are doing it because it is the right thing and it makes economic sense," said Angelides, who has also done residential development in Sacramento.

Canyon Capital has already partnered with former Lakers star Johnson to invest in 30 mixed-use projects in urban neighborhoods valued at about \$4 billion. The new partnership with Angelides will "elevate the Canyon-Johnson brand to include the highest level of sustainable development techniques in projects throughout the country,"

Johnson said in a statement.

Demand for workforce housing should continue to climb, Angelides said, as baby boomers' children enter the job market and urban populations grow through immigration and other means.

roger.vincent@latimes.com

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## Three face termination of Section 8 subsidies

*This story appeared in the Antelope Valley Press  
Saturday, February 9, 2008.*

**By VERONICA ROCHA**  
**Valley Press Staff Writer**

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LITTLE ROCK - Three Section 8 recipients will be recommended for termination from the rental subsidy voucher program after sheriff's deputies and investigators on Thursday conducted compliance searches of their homes, officials said.

Community Oriented Policing unit deputies and Section 8 investigators checked five Littlerock homes Thursday and discovered three Section 8 recipients had violated program regulations, said Deputy Robert Ferrell of the Palmdale station COPS Unit.

A parolee was residing at one home, and evidence of narcotics was found in another, Ferrell said.

In the third home, Ferrell said unauthorized residents were staying at the home and the Section 8 recipient might have been receiving additional income that wasn't originally claimed.

Under Section 8 regulations, recipients are forbidden to allow individuals on probation or parole to reside inside their subsidized rentals.

Section 8 recipients must provide the Housing Authority with a list of people who reside at the home, and those individuals must be authorized by the Housing Authority.

Deputies will conduct a follow-up search at one home checked during Thursday's operation.

A fifth home was found to be in compliance with regulations, Ferrell said.

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## Housing Affairs Letter Stories posted week of 2/9/08 - 2/15/08

### Affordable Housing

#### *Areas Approved For Affordable Housing*

California: Yucaipa city council approves a plan to allow high-density affordable-housing construction in five areas of the community.

Approval was granted for construction on a total of 152 acres despite protests from several residents.

Cities are required by the California Dept. of Housing & Community Development to set aside land for affordable housing.

New zoning in the five areas selected will allow construction of up to 1,188 units in the high-growth community in the suburbs of San Bernardino.

02/15/2008 12:28 PM

### Congress

#### *Jackson Chastised On Sec. 8 Cuts*

In his initial appearance before Congress this year, HUD Secy. Alphonso Jackson is criticized for Bush administration's attempt to slash Sec. 8 housing voucher program funding in FY 2009 despite proclaiming full financial support.

House HUD appropriations subcommittee Chairman John Olver (D-MA) chides Jackson for the Office of Management & Budget (OMB) ploy to cut \$400 million from the FY 2008 spending level in FY 2009.

Olver contends congressional calculations show the administration request—OMB has the final administration say on spending requests—is \$1.2 billion below the cost to renew all Sec. 8 vouchers next year.

"Our own internal calculations estimate that the administration's budget would force 55,000 tenant-based vouchers currently in use by low-income families to be lost," Olver said.

Jackson is chided for attempting to starve the Sec. 8 project-based program as well. Olver contends the OMB request is about \$2.8 billion short of the amount needed to pay landlords over a 12-month period, even though the administration added \$600 million above its FY 2008 request.

Congress added \$600 million to the administration's FY 2008 request after the project-based program crashed three-quarters of the way into FY 2007. HUD ran out of money last July, forcing OMB to a \$1.2 billion bailout of the program to keep it afloat.

Many landlords had been unpaid for weeks, forcing some to borrow from private lenders to make ends meet.

Congress now estimates the project-based program needs at least \$9.8 billion to keep landlords in the program of providing housing for low-income families.

02/15/2008 12:20 PM

Monday, February 11, 2008, Antelope Valley Press

## City eyes adding family housing units to shelter

By BOB WILSON  
Valley Press Staff Writer

**LANCASTER** — The City Council on Tuesday will consider spending \$839,794 to add 14 family residential units to the Lancaster Community Shelter.

The 14 new units will be able to accommodate at least three family members per unit, thereby adding 42 beds to the shelter's current capacity, said Elizabeth Brubaker, the city's director of housing and neighborhood revitalization.

The shelter currently has two family units that can accommodate at least six people a night, a worker at the shelter said. The shelter also has 54 beds available for persons participating in its residential program and 45 cots for those needing overnight shelter, the worker said.

That means the shelter, with the addition, will have the capacity to house at least 147 persons per night at its downtown facility at 44611 Yucca Ave.

The funds for the expansion will come from a \$1 million grant obtained from the Los Angeles County Community Development Commission by the Lancaster Redevelopment Agency in December 2006.

With that funding in hand, the members of the City Council, seated as the directors of the legally separate redevelopment agency, approved an agreement for the project in February 2007.

On Tuesday, the council will consider awarding a contract for the expansion's construction to Bowe Contractors Inc. of Lancaster.

*bwilson@avpress.com*

## Palmdale council ends agreement, delays housing project at meeting

*This story appeared in the Antelope Valley Press  
Tuesday, February 12, 2008.*

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**PALMDALE** - Voting unanimously and without dissent, the City Council on Feb. 6 approved the termination of a December 2006 agreement for the development of 7 acres in the Antelope Valley Auto Mall.

Under the agreement, cancelled with mutual consent, Lancaster auto dealer Mike Johnson was to build new a Ford and Lincoln-Mercury dealership in Palmdale. Johnson already owns and operates the AV Ford and Shuttle Lincoln-Mercury dealerships in Lancaster.

Under the 2006 agreement, Johnson was given time to conduct feasibility studies prior to his planned acquisition of Palmdale Redevelopment Agency land for \$1.8 million. The deadline for conducting those studies and purchasing the property has expired, "and the developer has indicated that, due to the changing economy, he is no longer in a position to move forward," a report to the council showed.

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Voting unanimously, the council agreed to postpone a decision concerning development of a 14-home project on the northeast corner of 42nd Street East and Pearblossom Highway.

The project was approved in November by the Planning Commission, but the approval was appealed by resident Lynn Monroe. She asked the council to require the builder to construct a 6-foot block wall along 42nd Street East, allow no traffic access to the site from 42nd Street East and limit the homes along 42nd Street East to one story. She noted that area homeowners agreed in 1989 not to oppose a previous project in the area only because it was required to adhere to the one-story limitation.

She also noted city officials agreed in 1989 to enforce similar restrictions on future developments next to the owners of 1-acre properties still in Los Angeles County.

The builder already has agreed to construct the block wall and to allow no traffic access from 42nd Street East but not to limit construction to one-story homes.

After discussing whether to possibly prohibit windows and doors on the back sides of any two-story homes built along 42nd Street East, the council decided to delay its decision to allow residents to confer with the builder to possibly reach a compromise.

The council voted unanimously to postpone its discussion until March 5.

\u274F

After considerable debate, the council voted unanimously to revise some of the conditions to be imposed on a new shopping center planned on nearly 13 acres on the northeast corner of 47th Street East and Avenue R.

The revised conditions will be subject to public comment when returned to the council for consideration on March 5. The conditions under discussion concerned the hours of operation to be allowed, the type of perimeter wall to be built, and other aspects of a new Vallarta shopping center. In order for construction to proceed, the council must approve an amendment to the city's General Plan as well as changes in the land-use classifications for the site. The changes were recommended by the city's Planning Commission in December, but the applicant, Tim May of the Mission Viejo-based May Centers company, appealed some of the conditions imposed by commission members.

Among other things, May asked the council to consider allowing, subject to future approval, 24-hour drive-up service for a drugstore and fast-food restaurant planned at the center.

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Members of the council voiced support for a proposal from Los Angeles County Supervisor Michael D. Antonovich that would establish a bus program to provide dedicated access to airline service at Palmdale Regional Airport for Santa Clarita and San Fernando residents.

At present, United Airlines offers two flights a day between Palmdale and San Francisco.

City and airport officials are hoping to expand Palmdale airline service by proving it is useful to flyers seeking alternatives to flights to and from Los Angeles International Airport and Bob Hope Airport in Burbank.

The bus program would be similar to the "FlyAway" service that delivers passengers from a Van Nuys parking facility to LAX on a regular basis each day.

- BOB WILSON

AV Press  
2/13/08

# Drugs, guns found in dead tenant's home

## Deputies arrest unauthorized man in Section 8 rental

LANCASTER — Sheriff's deputies seized marijuana, cash and firearms Tuesday from an eastside home whose Section 8 tenant died five months ago, officials said.

Authorities discovered that unauthorized occupants were living at the home in the 3000 block of San Luis Drive during a Section 8 compliance check led by county Housing Authority investigators and the Lancaster Sheriff's Station Operation Safe Streets Unit, said Deputy Michael Rust of the sheriff's station.

Housing Authority investigators found that the Section 8 voucher recipient had died in September, and the home's occupants weren't approved to reside in the subsidized rental, Rust said.

Inside the home, deputies found a block of marijuana as well as portions of the drug, a scale, money and two rifles.

Deputies arrested Carlton Han-

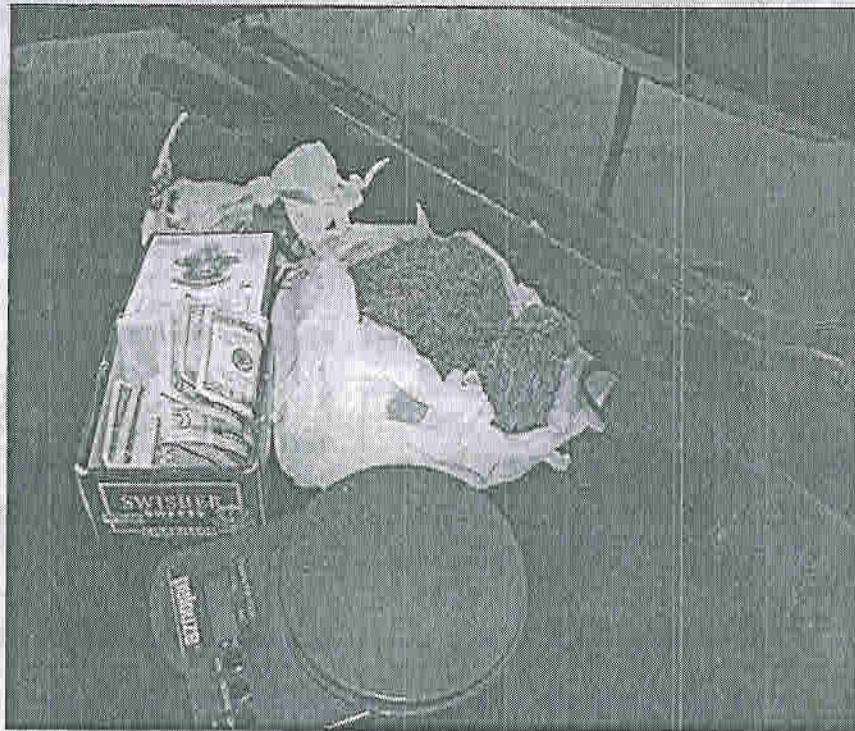
derson, 45, of Lancaster on suspicion of having narcotics for sale, officials said. Henderson was living

in the home, Rust said.

Investigators will look into whether the home's occupants re-

ceived the dead person's Section 8 benefits, officials said.

— VERONICA ROCHA



### SWEEP SUCCESS

A double-barreled shotgun, a .22 rifle, cash and marijuana were found Tuesday by sheriff's deputies at a Section 8 rental house in the 3000 block of San Luis Drive in Lancaster. The Section 8 tenant of the home died in September, and deputies arrested one unauthorized occupant on suspicion of having narcotics for sale.

Los Angeles County Sheriff's Department



# HUD Changes 3rd Party Verification Standards

## In Many Cases, EIV Information Will Suffice

On January 16, 2008, Nicole Faison, HUD's Director of Public Housing Programs, conducted a web cast concerning income verification, EIV and reducing under reported income entitled, "LAW & ORDER: ENTERPRISE INCOME VERIFICATION (EIV)." The lengthy web cast remains available on HUD's web site, and it effectively announced a change concerning acceptable verification of income. Slide 8 in Ms. Faison's presentation states the new position succinctly. **Unless a participant objects to using EIV income information (e.g. claims that the employment information is incorrect or that their income is different from that reported), HAs have the discretion to use the EIV information as acceptable third party verification of income.** Slide 10 of the presentation goes on to indicate that HAs may use participant provided information and documents (e.g. pay stubs) to update the information provided through EIV. Both of these slides appear below.



This position, first announced via email in February 2007 and published as part of HUD's proposed rule, "Refinement of Income and Rent Determination Requirements in Public and Assisted Housing Programs," approaches the position suggested by PHADA and recommended to the department through HUD's Administrative Reform Initiative. It appears that HUD now supports HAs' discretion to determine what verification may be appropriate and accepts the use of EIV reports as satisfactory third party written verification.

## Using EIV for Fraud Prevention

In the web cast Ms. Faison also pointed out techniques and reports available to HAs to help prevent fraud or uncover instances where families have failed to report sources or amounts of earned income accurately. For example, EIV includes a "New Hires Report" that returns employers' names, their Federal Employer Identification Numbers, and the dates when EIV first received information concerning the employer. An "Existing Tenants Report" and a "Multiple Subsidy Report" can highlight instances where participants appear to receive housing assistance from more than one PIH or Office of Multifamily Housing (MFH) program. Such reports may reflect instances of fraud or identity theft about which HAs would not otherwise be aware.

## Deceased Participants

On January 7, 2008, HUD sent HA Executive Directors a letter concerning deceased participants in the public housing or Housing Choice Voucher programs. In the web cast, Ms. Faison described the

"Deceased Tenant Report," available through EIV that reports any participant whom the Social Security Administration believes has died. Although the SSA may be in error concerning the death of a program participant, and although the number of instances where SSA reports that it believes an assisted housing program participants is deceased is relatively small (0.4 percent of public housing and Housing Choice Voucher participants), the report provides HAs with a tool to discover where these problems exist and the web cast offered suggestions concerning next steps HAs could take. These situations may reflect attempted fraud or erroneous information at HUD or the SSA, but each instance requires some remedy that will probably require effort by both the HA and the participating household.

## Conclusion

Although at times the web cast takes an adversarial tone concerning program participants, the presentation offers HAs valuable guidance concerning new tools available through HUD's EIV system with the detail needed for HAs to use these tools effectively. The presentation's interactive approach, its use of detailed examples, and its thorough coverage of EIV tools and underlying policy questions should be very useful to HAs as they endeavor to streamline their assisted housing income determination and verification operations while preserving or improving the accuracy and timeliness of that work. ■

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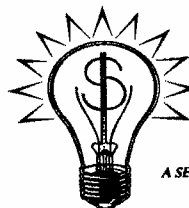
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# at Quality and Consistency



deficiencies. It is not an exhaustive or thorough list. Many of the items mentioned in this section are raised by PHADA members. The accompanying article "HUD's Flawed Inspections Leave Unanswered Questions" lists questions raised in large part from this section of the Bulletin.

## Purpose VS. Low Bid

HUD continues to search for ways to meet the purpose of inspections – "to objectively assess the physical condition of the property." While many inspections are conducted to the satisfaction of both HUD and

**PHADA is concerned that housing authorities are paying the real cost of HUD's "low-bid" inspection savings with inexperienced or under-qualified inspectors.**

housing authorities, many others create ire, added costs and raise questions about HUD's ability to "get it right." HUD's much vaunted reverse auction process has met HUD's goal of lowering the per inspection costs from \$500- \$600 per inspection to the current \$374 per inspection cost. PHADA is concerned that housing authorities are paying the real cost of HUD's "low-bid" inspection savings with inexperienced or under-qualified inspectors. High performing agencies that lose that designation because of a poorly prepared or wrongly "incentivized" inspectors pay the price of poor quality inspections. Maintenance crews and their tight budgets likewise, pay the price if inspectors make wrong calls on deficiencies.

## Measures of Success

HUD's confidence in its REAC inspection process prevented the Department from implementing the requisite business tools to measure the success of the REAC inspection design and implementation by its "customers" -- the public housing authorities, property owners and management companies. If the REAC inspection process is as good as advertised, HUD should quickly establish a two-part evaluation tool. The first would be a quick and easy online response system for housing authorities to evaluate and score inspectors immediately upon the conclusion of inspections. This system would yield useful real-time data about the quality of inspections, inspectors and the inspection software.

The second measurement that HUD should immediately develop is a clear, simple appeal process for disputed deficiencies cited in REAC inspections. The Database Adjustment and Technical Review (DATR) appeals process is currently unclear, places additional burden on housing authorities and "loses" too much previously submitted data on property characteristics. Responses from the DATR appeals process also appear arbitrary, slow and very reluctant to restore points even for

successful appeals. Industry confidence in the REAC inspection process will remain low if it appears that REAC inspections have an appeal process in name only.

## PHADA Wants To Hear From You

In response to persistent complaints about the quality of REAC inspections and inspectors, PHADA is preparing to take the issue back to HUD. If you have a REAC inspection story that you think should be part of that dialogue with HUD, please send details to [kwhalen@phada.org](mailto:kwhalen@phada.org). ■



## \* HUD's Flawed Inspections Leave Unanswered Questions

If HUD's purpose for REAC inspection is "to objectively assess the physical condition of the property", then:

- *How do wide swings in inspection scores build confidence in the REAC system?*
- *Why does it matter how the resident arranges their furniture?*
- *Why are "isolated" problems so prevalent?*
- *Why has the long-promised new software never arrived?*
- *Why do inspectors feel they are trained to "believe they are not responsible for errors that have a negative impact on the property?"*
- *Does HUD pressure on inspectors to find defects run counter to objectivity and professional common sense?*
- *Why is the review process so weak? Are reviewers trained on the protocol? Are they knowledgeable of construction, maintenance, local conditions, topography or weather?*
- *Why is information contained in the Data Adjustment & Technical Review often disregarded?*
- *Why do extra, tenant-owned appliances require inspection?*
- *Why is the neighboring property's poor fencing included in the housing authority site inspection?*

See "unanswered questions," continued on page 10



## ...“unanswered questions”

Continued from page 9

- Why are lockless windows now being cited on the upper floors of a 23-year old high-rise?
- Why determine that a single broken beer bottle on an otherwise tidy 11-acre site is a health and safety violation?
- Why is the timing of inspections so erratic with long expanses of time (years apart) between inspections and then virtually back to back (months apart)?
- Why allow another HUD program to be so costly for HAS who must spend an inordinate amount of time preparing for, participating in and then appealing inspections?
- Why continue an exercise in nitpicking just as many HAS are experiencing budgetary constraints?
- Why not let some market mechanism work here by allowing HAS to choose inspectors from an HUD-approved list?
- Why does REAC not recognize the handicap HAS operate under with low funding prorations? REAC inspection scores could be adjusted to take into account budget cuts.



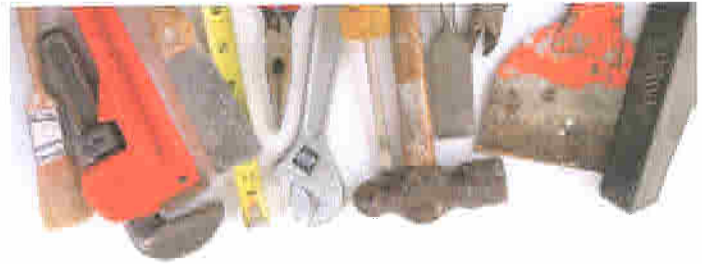
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## TOP 20 DEFICIENCIES (EXAMPLES)

The following are examples pulled from HUD's website of maintenance items that, if repaired prior to the physical inspection, could make a significant difference in the overall inspection score. Be sure that ...

1. **Water Heater** - the pressure relief valve discharge tube extends to within 18 inches of the floor.
2. **Misaligned Chimney** - the vent stack on gas operated water heaters or furnaces are properly aligned.
3. **Missing HVAC Covers** - there are covers on all baseboard heaters.
4. **Access to the Electrical Panel** - access to the electrical panels is not blocked by furniture or other items not easily removed.
5. **Missing Covers** - electrical panels that have interior covers (aside from the panel lid box itself) to prevent exposure from the wire connections are in place.
6. **Open Breaker/Fuse Ports** - open breaker/fuse ports are covered.
7. **Doors Damaged Seals** - the factory-installed seals on exterior doors, such as building or unit doors, are in place and undamaged.
8. **Doors Damaged Hardware** - exterior door hardware locks or latches properly and fire doors function as designed.
9. **Security Doors** - security doors do not have dual-side key locks.
10. **Kitchen** - stove burners are working.
11. **Plumbing** - pipes and faucets are not leaking, and areas around any leaks are cleaned up and repaired.
12. **Damaged Sinks/showers** - any hardware problems are repaired, diverters are working, drains have stoppers, hot and cold water handles are in place and working.
13. **Clothes Dryers** - are properly vented to the outside from units or laundry rooms.
14. **Storm Water Sewers** - are not clogged with trash or leaves.
15. **Sanitary Sewer Damaged Covers** - caps located in the grass on the exterior of the building that have been damaged by a lawn mower are cleaned out and repaired.
16. **Trash Chutes** - hardware is in place and the chute door closes properly.
17. **Trash Receptacles** - are not overflowing and are adequate in size for the property.
18. **Auxiliary Lighting** - the back up lighting works even when the test light does not work.
19. **Leaking Domestic Water** - there are no leaks in the domestic water supply, including the hose bibs located on the exterior of the building.
20. **Outlet and Switch Plate Covers** - are not cracked or broken.





## NAHRO Monitor: February 15, 2008

### *Proposed Budget Significantly Underfunds HCV*

HUD's budget assumes \$14.161 billion in FY 2009 appropriated funds for voucher housing assistance payment (HAP) renewals, to be augmented by \$600 million in agencies' net restricted assets for a total of \$14.8 billion. By comparison, NAHRO's preliminary estimate is that \$15.4 billion will be needed to support the HCV program in FY 2009. When compared with PHAs' voucher HAP expenditures in calendar year 2008, HUD's budget request would therefore leave the program significantly under funded, leading to downward pro-rations of 95.9 percent or less, a level insufficient to cover inflation, let alone additional funds to renew approximately 14,000 incremental vouchers appropriated at \$325 million in FY 2008.

HUD's budget request includes \$1.4 billion for administrative fees, including \$1.34 billion (a \$16 million increase) for ongoing fees of existing vouchers and up to \$40 million (a \$5 million increase) for PHAs that need additional funding to administer new vouchers in FY 2009. The nominal increases in these accounts, however, will be insufficient to fully pay for needs in both the ongoing and new vouchers, leading to likely prorations of administrative fees.

HUD's budget would provide \$7 billion for the Section 8 project-based multi-family housing program for FY 2009, representing a \$682 million increase (10.8 percent). In addition to the \$7 billion, the budget proposes a \$400 million advance appropriation, which would become available on Oct. 1, 2009, to bridge renewal funding into FY 2010. Estimates provided by HUD of the amount needed to fully fund renewals for the full twelve months of the contract term rather than increments through Sept. 30, 2009 range up to \$8.1 billion.

**Incremental HUD-VASH Vouchers:** HUD's budget includes a request for new incremental vouchers. Specifically, HUD requests \$75 million for vouchers designated to assist Homeless Veterans through the HUD-VASH program. The budget would also require that HUD-VASH vouchers be re-issued to other eligible homeless veterans on turnover.

For more detailed information concerning funding for the Section 8 programs, see [www.nahro.org/members/news/2008/080208.cfm#c](http://www.nahro.org/members/news/2008/080208.cfm#c).

## ...“economic stimulus”

Continued from page 1

economic stimulus dollars into thousands of communities and neighborhoods across the country for the ultimate benefit of upwards of 2.2 million public housing residents.

Public housing is an essential part of the nation's public infrastructure that needs to be adequately maintained so that it can continue to help local communities meet the needs of their lowest-income households. Economic stimulus funds spent on infrastructure insures that initial expenditures will primary benefit local rather than global economies.

PHADA is confident that the proposal delivered to the House and Senate Appropriations leadership meets the consensus of key economists that economic investments be timely, targeted and temporary. PHADA urges all executive directors to contact their members of Congress through the Association's Legislative Action Center website to let them know of the PHADA letter and the industry's willingness and capacity to help the nation's economy. The House has concluded its work on the current stimulus package, but there is the possibility that more than one economic stimulus package will be needed depending on how protracted the country's economic woes become. The Senate is still weighing various options that it will include in its own stimulus proposal. Public housing authorities should consider what role their agencies might play in helping to solve the economic crisis. ■

## 2007 Bollinger Scholarship Winner Barbaratta Whitaker Earns 4.0 at Howard University



The recipient of the 2007 Bollinger Scholarship award Barbaratta Danielle Whitaker (left) shown above with PHADA Vice President of Membership Bernadine Spears (Odessa, TX) has informed PHADA that she has recently completed her first semester at Howard University and has earned a 4.0 grade-point-average. She is participating in a lot of extracurricular activities and having lots of fun. Barbaratta has expressed her appreciation for our support.

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# Los Angeles Times

<http://www.latimes.com/news/local/la-me-hud18feb18,1,4314886.story>  
*From the Los Angeles Times*

## Auditors recommend ouster of L.A. County housing director

HUD officials say the county agency has poorly administered low-income subsidies and want millions refunded. The director disputes the findings.

By Ted Rohrlich and Jessica Garrison  
Los Angeles Times Staff Writers

February 18, 2008

Federal auditors have called for the ouster of the Los Angeles County Housing Authority's director, saying his agency has not properly administered the \$200 million federal housing voucher program for the county's poor and has sought to conceal its shortcomings.

The unusual recommendations come in a report this month that criticizes the authority for failing to check annually, as required, on tenants' eligibility for subsidies under the federal Section 8 program. Some recipients were receiving more money than they were entitled to, the auditors found.

The director of 17 years, Carlos Jackson, acknowledged past failings in his agency's administration of Section 8, which now serves 20,700 people and families. But he said he had moved to correct the problems and denied intentionally misleading the federal Department of Housing and Urban Development, which provides the funds.

Jackson said he was "taken aback by the tone and the magnitude of the recommendation" at a time when he felt he was making headway. "I dispute their findings," he said.

Jackson heads the county Community Development Commission, which includes the housing authority and redevelopment projects. He reports directly to the Board of Supervisors, which ultimately must decide his future.

Supervisor Yvonne B. Burke said Friday that Jackson would get a chance to defend himself.

Larry Gross, who directs the Coalition for Economic Survival, a tenants' group, said he was distressed by the audit.

"The Section 8 program is incredibly important to low-income tenants and may be the only way they can get a roof over their heads," he said. "Now the question is, how is the Board of Supervisors going to respond to this?"

Section 8 tenants pay about a third of their incomes for rent to private landlords; the federal government, through local housing authorities, pays the rest. The wait to join the program takes years.

The problems are not new. The authority's troubles were first noted in 2003, when HUD auditors found that it had not reviewed many tenants' eligibility for three years. In some cases that were reviewed, the auditors found, the authority did not verify tenants' reported incomes. HUD auditors said they learned through two subsequent reviews that the agency repeatedly -- and falsely -- assured HUD it had corrected these problems.

The latest audit, which covered 2005 and 2006, found that the agency did not perform annual eligibility checks for one in four Section 8 tenants, who then numbered 17,700.

Of the federal money provided to the county annually, \$36 million goes toward managing the program. Auditors recommended requiring the county to refund 10% of that. The refund would apply to the fiscal year that was audited, 2005-2006, and a similar portion would be withheld from the agency in future years, beginning

immediately.

Auditors also recommended that HUD administrators direct the Board of Supervisors to replace the executive director "with someone who has sufficient Section 8 experience and who will devote the time necessary" to run the program.

HUD administrators have not yet asked the supervisors to fire Jackson, however. HUD spokesman Larry Bush said Friday that the agency would "follow through with local authorities" to make sure the recommendations are carried out.

Auditors studied in detail the files of 25 subsidized tenants and found that the authority miscalculated in every case, overpaying in most instances.

The auditors noted that the authority recently had tried to improve its performance.

For example, after the authority was scolded in previous reviews for failing to conduct annual reexaminations for more than 4,000 tenants, it reexamined each case. But then, when an outside firm checked 500 of the new reviews, almost 200 contained errors, many of which led to incorrect payments, auditors said.

Jackson ordered more staff training and brought in new managers to streamline operations.

But auditors said they were not sure the problems had been solved.

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## Section 8 abuse? Why aren't we surprised?

*This story appeared in the Antelope Valley Press  
Tuesday, February 19, 2008.*

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EDITORIAL OF TUESDAY, FEB. 19 - The Section 8 housing program - is funded by the federal government and administered by local housing authorities across the nation - is supposed to provide a hand up for needy or disabled people to make ends meet.

It's not supposed to be permanent and, most of all, it's not supposed to be for people with criminal records, or people who use illegal drugs, or people who invite in unauthorized tenants or people who receive unreported income to cheat the system.

Yet, as we've been reporting for the last two years, all these activities are rampant in Section 8 housing.

We've written many times in praise of Lancaster and Palmdale, as well as Los Angeles County Supervisor Michael D. Antonovich, for attacking the problem with regular inspections as well as for setting up a tip line to report fraud or abuse.

So it comes as no surprise that, as reported in a Los Angeles newspaper on Monday, federal auditors have found that Carlos Jackson, director of the county housing authority, has not properly administered the \$200 million program.

Under Section 8, tenants pay what they are able for a house, condo or apartment, and the government pays the rest of the rent to the landlord. Tenants typically pay about a third of the full rent.

So, for example, if the rent is \$1,500, the tenant pays \$500 and the government \$1,000.

But the Feds say money sent to Los Angeles County has been mismanaged - and they want millions of dollars back.

Problems include failing to check annually on tenants' eligibility and tenants receiving larger subsidies than they are entitled to.

Jackson disputes the findings.

The reason annual checkups are required is simple: A tenant may be out of work or at a low-paying job when he receives a Section 8 voucher and moves into a unit. Then he might get a job or a better-paying job and become perfectly capable of paying his own rent. Yet, with no annual checkup, tenants could go on for years collecting money they're not entitled to.

That's one reason housing inspectors in the Antelope Valley are discovering so many problems. Tenants have concealed outside income, welcomed in unauthorized tenants and ripped off the

taxpayer.

Clearly, the rest of the county needs to have inspectors checking on tenants, too.



## Feds call on county to fire housing chief

*This story appeared in the Antelope Valley Press  
Thursday, February 21, 2008.*

**By JAMES RUFUS KOREN**  
**Valley Press Staff Writer**

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LOS ANGELES - Citing problems in the county's administration of Section 8 housing vouchers, federal auditors have called for Los Angeles County to fire its housing department director.

An audit from the federal Department of Housing and Urban Development recommends the county supervisors replace Carlos Jackson, who for 17 years has served as executive director of the county Community Development Commission, which oversees the county housing authority.

The audit, which focused on information from 2005 and 2006, says Jackson should be replaced "with someone who has sufficient Section 8 experience and who will devote the time necessary to ensure the Assisted Housing Division is run efficiently."

It also calls for the county housing authority to pay \$3.6 million back to HUD, a penalty for "not adequately administering its program in compliance with HUD requirements."

Jackson has long acknowledged the housing authority's problems but said many of the issues brought up have been fixed.

"I don't dispute the fact that we had problems then," Jackson said Wednesday. "But (the audit) is totally silent on all the improvements we have made over the past two years."

Among the audit findings were housing authority staff were not adequately trained, serious flaws existed in the department's computer system and that thousands of annual reexaminations of Section 8 tenants - a federal requirement - never happened or happened too late.

Section 8 is a federal housing subsidy program allowing low-income families to pay about a third of their income for housing, with additional costs being picked up by HUD funding. The federal program is administered by local housing agencies.

Auditors found in 2005 and 2006, the county was late in performing 4,710 reexaminations of Section 8 tenants - about 27% of all Section 8 tenants in those years.

"By failing to conduct reexaminations as required, the authority paid 1,900 tenants \$15.2 million in housing assistance without performing reexaminations," the audit states.

"We attribute these problems to the executive director's not spending enough time with the authority, having little involvement in its day-to-day operations and allowing the previous director of the assisted housing division to run the entire operation," the audit report states.

Jackson said taking a more direct role in the administration of the Section 8 program would be "inconsistent with my responsibilities."

"I have nine directors report to me," he said. "My presence has no relation to the importance of the program."

Jackson said he hopes the county supervisors will base any decision about his future in the Community Development Commission "on the overall effectiveness of the program," not on past problems. He noted that, since November 2006, the housing authority has cut the percentage of late inspections from 34% to 1%, and cut the percentage of late reexaminations from 12% to 3%.

"I was really taken aback," Jackson said. "It was silent on all the improvements we've made. (HUD) is still not giving us credit for the improvement we've made."

jkoren@avpress.com



# Los Angeles Times

[http://www.latimes.com/news/local/los\\_angeles\\_metro/la-me-housing21feb21,1,2035418.story](http://www.latimes.com/news/local/los_angeles_metro/la-me-housing21feb21,1,2035418.story)  
From the Los Angeles Times

## Bid to sell city land stirs outcry

**Villaraigosa says sale proceeds could aid the budget. Foes seek affordable housing on the Westside parcels.**

By Duke Helfand

Los Angeles Times Staff Writer

February 21, 2008

In his quest to balance the city's books, Los Angeles Mayor Antonio Villaraigosa is gearing up to sell city-owned properties in some of the Westside's most sought-after neighborhoods.

But Villaraigosa's budget-saving strategy is running up against one of his biggest campaign pledges: to expand affordable housing.

The plan to sell "surplus" properties, which could be used for low-income apartments, has also put Villaraigosa at odds with one of his closest City Council allies, Bill Rosendahl, and with Westside neighborhood leaders who seem baffled by his determination to give up sites that could house the poor and elderly.

"The only way we can build affordable housing is if the city owns the land," Rosendahl said. "You don't sell your assets, because you can never get them back."

Since the day he took office 2 1/2 years ago, Villaraigosa has made affordable housing one of his top priorities.

He has pumped \$200 million into a city trust fund to build transitional housing for the indigent on skid row and apartment complexes for low-income renters elsewhere in the city.

He has used city pension money to expand first-time homeownership programs for teachers, police officers and other middle-income workers priced out of the Los Angeles market.

But Villaraigosa said closing the budget shortfall -- \$155 million this year and as much as \$500 million in the fiscal year that begins July 1 -- takes top priority.

"We're facing really tough decisions," he said. "We can't just wish the budget deficit away. We're going to have to figure this out together."

The mayor has called for the sale of four mothballed fire stations across the city, including No. 62 in Mar Vista and No. 5 in Westchester.

He has also proposed selling three former animal shelters, including one in West Los Angeles, on the advice of the city's chief administrative officer.

Those plans have come under fire from City Council members who view the sales, which they must approve, as shortsighted budget fixes. Councilwoman Janice Hahn, for example, objects to the loss of Fire Station 65 in Watts, one of the city's oldest firehouses, unless its historic features can be preserved.

But the Westside properties on the list have generated the loudest outcry because of a desire for affordable housing in an area where renters and potential homeowners are locked out by some of the highest housing prices in the city.

# Los Angeles Times

<http://www.latimes.com/classified/realestate/rentals/commercial/la-fi-rents22feb22,0,2768869.story>  
From the Los Angeles Times

## Southland rents rise despite falling home prices

With fewer people buying houses and with foreclosures increasing, demand is up for apartments.

By Andrea Chang

Los Angeles Times Staff Writer

February 22, 2008

If home prices are plunging, then why are rents going up?

That's a question Lynn Washington wants answered. The lease on his Marina del Rey apartment is expiring, and he can't find anything to rent for his budget of \$1,000 a month.

"It boggles the mind," said Washington, 59, who works as a liaison for international students at Santa Monica College. "I don't make enough to buy. And yet I don't make enough to afford to rent. I'm caught between the two."

Apartment rents are indeed climbing, hitting an average of \$1,494 a month in Southern California for the last three months of 2007, an increase of 4.5% over the same period a year earlier, according to a survey of larger apartment complexes by RealFacts, a property research firm.

Yet housing prices are falling sharply. The median price for homes and condominiums in the six-county region fell to \$415,000 last month, 18% below last year's peak, according to DataQuick Information Systems.

But just because home prices are falling doesn't mean rents should be dropping too. In fact, home values and rents often move in opposite directions, real estate analysts said.

"The downward pressure on house prices and the upward pressure on rents are in some respects reciprocal of one another," said Stuart Gabriel, director of the Richard S. Ziman Center for Real Estate at UCLA. "The two go hand in hand."

In short, fewer people buying homes means more people looking to rent. And the volume of home sales in Southern California is at its lowest point in two decades.

One reason is that many potential buyers are sitting on the sidelines, wary of buying property that could decline in value in the months ahead.

Others can no longer qualify for mortgages because lenders have tightened requirements in the wake of rising defaults. Those defaults have also led to a record number of foreclosures, pushing thousands of homeowners back into the rental market.

"When house prices peak and start to turn down, usually it's indicating some sort of softening in the economy," said Delores Conway, director of USC's Casden Real Estate Economics Forecast. "And that softening would encourage people to rent rather than to buy."

The Southland rental market is one of the nation's biggest. According to the National Multi Housing Council, a trade group, renters occupy 60% of the homes in Los Angeles and about 40% of the homes in Southern California, compared with a nationwide average of 32%.

The rental market here is also very tight, with occupancy rates of 94% to 95% in Los Angeles, Orange and San

Diego counties, according to RealFacts.

Westside Rentals, a Santa Monica-based listings service, recently began staffing its phone lines around the clock to accommodate the large volume of calls from apartment hunters, said owner Mark Verge.

"As long as the price is right, they're going fast," Verge said. "It's just nuts in here."

Housing slump aside, Southern California has always been an attractive place to live -- and that's also keeping the rental market tight, Conway said.

"The L.A. Basin is pretty much built out," she said. "We have not seen a lot of new supply."

A prolonged downturn in home prices could eventually push rents lower too, analysts said. This is especially true if unsold and foreclosed homes and condos end up in the rental market, adding a fresh supply of properties to compete with apartments.

That may already be taking place in the Inland Empire, which has suffered the worst of the housing market meltdown in Southern California.

In San Bernardino and Riverside counties, rents increased in the fourth quarter of 2007 by just 1.8% over the year-earlier period, to \$1,162, said RealFacts. The company gets its data by surveying 12,269 apartment complexes of 100 or more units in 15 states.

An economic recession coupled with job losses also could cause rents to slide.

"If people lose their jobs, often they have to relocate," Conway said. "The demand obviously shifts to the tenant because the landlord will have vacancies they have to fill. It becomes more of a renter's market than a landlord's market."

Gabriel noted that the pendulum could eventually swing back in the other direction.

"If rents get high enough and house prices get low enough and mortgage rates become attractive enough, households will flow in the opposite direction -- out of rental status and into homeownership status," he said. "But at the moment, it's not quite an attractive play."

For Washington, who says he's considering moving out of Southern California when he retires in a few years, waiting for rents to come down might not be an option.

"I can't afford to live in Los Angeles," he said. "I almost feel like I'm being forced out."

andrea.chang@latimes.com

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If you want other stories on this topic, search the Archives at [latimes.com/archives](http://latimes.com/archives).

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Executive Director

**HOUSING AUTHORITY  
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**Yvonne Brathwaite Burke**  
**Zev Yaroslavsky**  
**Don Knabe**  
**Michael D. Antonovich**  
Commissioners

**ASSISTED HOUSING DIVISION**

12131 Telegraph Road • Santa Fe Springs, CA 90670  
Tel: 562.347.4663 • TDD: 562.906.4928



February 12, 2008

**FOR YOUR INFORMATION ONLY**

Ms. KJ Brockington, Director  
Office of Public Housing  
U.S. Department of Housing  
And Urban Development  
Los Angeles Field Office, Region IX  
611 West 6<sup>th</sup> Street, Suite 1040  
Los Angeles, CA 90017-3101

**SUBJECT: THE FAMILY SELF-SUFFICIENCY (FSS) PROGRAM**

Dear Ms. Brockington:

The Family Self-Sufficiency (FSS) Program is a HUD initiative intended to promote the development of local strategies to enable families both in public housing and the Housing Choice Voucher Program to achieve economic independence and self-sufficiency.

This report has previously been provided to the Housing Authority of the County of Los Angeles Housing Commissioners on a monthly basis. This report is now being provided to the HUD local field office and the Los Angeles County Board of supervisors to keep all concerned parties abreast of the continuous efforts and accomplishments associated with this worthwhile program as part of the Corrective Action Plan.

**FSS Program Update for December**

- The Family Self Sufficiency staff continued its ongoing recruitment efforts, with a total of 50 new applicants, 49 of whom were eligible for the Family Self Sufficiency Program.
- Staff enrolled 37 new participants.
- Received 5 requests to graduate from the Family Self Sufficiency program.
- 102 applications for the FSS Program were mailed to interested families.
- Resource information on the WorkSource Network, Volunteer Income Tax Assistance Program, FSS workshops, Adult Education, and Job Fair information were disseminated during recruitment and case management activities.



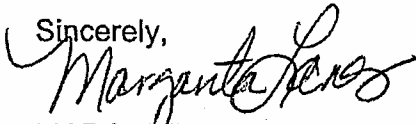
- Staff referred 22 FSS applicants to WorkSource Centers resource for job search assistance and 5 FSS participants for job search and resume writing and review assistance.
- Issued 1 Credit Repair packet to FSS applicant and 3 packets to existing FSS participants during the month of December.
- Communicated with and assisted over 250 FSS participants with general Housing Choice Voucher questions, FSS Program queries, issues and supportive services information.
- Resource information for employment opportunities, budgeting, money saving tips and homeownership workshops were disseminated to 46 FSS participants and applicants during January appointments.
- Referred 1 Section 8 tenant to Operation Hope Home Ownership Program per the tenant's request.
- Referred 8 FSS participant to the CDC Home Ownership Program (HOP) per the tenant's request.
- The FSS Program staff conducted one group graduation ceremony, graduating 7 successful participants before an audience of family members, guests and Assisted Housing Staff.
- During the month of January, \$53,799.00 in Family Self Sufficiency escrow fund was disbursed to successful graduates.

### Graduates

During the month of January, there were 8 graduates from the Family Self Sufficiency's Housing Choice Voucher Program. The total number of graduates to date is 187.

If you have any further questions, please feel free to contact me at (562) 347-4837.

Sincerely,



MARGARITA LARES, Acting Director  
Assisted Housing Division

ML:rag

c: Board of Supervisors  
Housing Commissioners



## Supervisor Burke Assumes Role as Chair of the Board

The year 2008 will be an exceptionally busy one for Los Angeles County Board Supervisor Yvonne B. Burke, as she officially assumes the rotating role of Chair of the Board. She plans to be actively involved in all issues that come before the Board.

At the December 4, 2007 Board meeting, Supervisor Burke delivered the incoming Chair's traditional "State of the County" address, outlining her 2008 goals for the Board and issuing a clear message that she will not be a "lame duck" in her final year of Board leadership. She will be entering into the final year of her fourth term on the Board, serving residents of the County's Second District, before her retirement in December 2008.

With fiscal conservancy in the wake of the housing crisis and the reopening of Martin Luther King Jr.-Harbor Hospital still among the County's top goals in the coming year, Supervisor Burke says, "I believe that we have to be prepared in the event that we see a challenge to the revenues that are coming in."

"We've been told that the State of California is in financial difficulty and you know what that means usually, they take our money," she said. "So we have to be prepared to take the kind of measures to assure that we have the resources to carry on the necessary services."

The failing housing market could have a major impact on the County's tax revenues. "We are facing a real crisis in terms of the real estate market in Los Angeles and we are going to have to be very aware of how we can address some of those issues," she said. Re-opening the Martin Luther King, Jr.-Harbor Hospital, which Board members have said they want done in 2008, will continue to be a top priority as well.

This January, the Board is expected to make a decision on a new health-care provider to run the hospital, which lost \$200 million in federal funding after failing an inspection by the U.S. Centers for Medicare and Medicaid Services in August.

"We can't delay. We can't take forever to negotiate with all the different people who have different ideas. We're going to have to move forward and take the best possible solution so that it can get open," she said. "As Chair, I clearly see my role as moving the Board forward in a way that will best serve the people of the County of Los Angeles."



*Supervisor Burke and William T Fujioka, Chief Executive Officer, stand before the County of Los Angeles seal.*

## HIGHLIGHTS

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# EVENT CALENDAR

## Los Angeles County Arboretum & Botanic Garden 301 N. Baldwin Avenue, Arcadia 91007

For a list of seminars, workshops and classes, please visit [www.arboretum.org](http://www.arboretum.org) or call (626) 821-4623.

## Los Angeles County Museum of Art 5905 Wilshire Boulevard, Los Angeles 90036 (323) 857-6000 [www.lacma.org](http://www.lacma.org)

### Arts

Through Feb 19 – Japanese Prints: Word/Poem/Picture  
Through Feb 19 – Japanese Painting: Calligraphy and Image  
Through Mar 3 – SoCal: Southern California Art of the 1960s and 70s from LACMA's Collection

## Disney Concert Hall 111 South Grand Avenue, Los Angeles 90012 (323) 850-2000 [wdch.laphil.com](http://wdch.laphil.com)

### January

24 - 27 - Britten's War Requiem  
29 - Royal Concertgebouw Orchestra Amsterdam - I  
30 - Royal Concertgebouw Orchestra Amsterdam - II

### February

1 - 3 - Perlman conducts Brahms's Fourth  
1 - Jazz at Lincoln Center Orchestra with Wynton Marsalis  
3 - Organ Recital: Olivier Latry  
6 - Tafelmusik  
9 - 10 - Mahler's Sixth  
12 - Chamber Music  
13 - Christopher Columbus: Lost Paradises  
14 - 16 - Tchaikovsky's Suite No. 3  
15 - George Benson - "A Tribute to Nat King Cole"  
17 - Bernadette Peters - "Just a Broadway Baby"  
21 - The Chieftains  
22 - 24 - Conlon conducts Shostakovich

## Music Center 135 N. Grand Avenue, Los Angeles 90012 (213) 972-7211 [www.musiccenter.org](http://www.musiccenter.org)

### Center Theatre Group

Through Feb 17 - Bloody Bloody Andrew Jackson  
Through Mar 9 - The Color Purple  
Mar 7 - Apr 13 - No Child...  
Mar 12 - Apr 6 - Sweeney Todd  
May 11 - Jun 8 - Keep Your Pantheon  
May 11 - Jun 8 - Duck Variations

### Los Angeles Opera

Through Feb 10 – Tristan und Isolde

## Los Angeles Master Chorale Feb 10 – David O, De Victoria and De Zumaya

### Natural History Museum

900 Exposition Boulevard, Los Angeles 90007  
For a list of events please visit [www.nhm.org](http://www.nhm.org) or call (213) 763-DINO.

## County DIGEST

Articles and other submissions to the County DIGEST may be edited or otherwise altered for clarity.

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(213) 639-0940 FAX

Available online at: [dhr.lacounty.info](http://dhr.lacounty.info)

## Los Angeles County Assessor Helps the Malibu Disaster Relief Center

The roaring fires in the Malibu Hills caused pain, heartache, and loss to the many families who live there. Last November, various departments from the County of Los Angeles came together to show their support by setting up a temporary "hub" to offer assistance to those affected by the fires. This became the Malibu Disaster Relief Center, created and operated by the County Office of Emergency Management.

### ASSESSOR

continued on page 13





## Supervisor Molina Announces 1,065 Sheriff's Deputies Hired in 2007

On December 2007, 90 trainees from Sheriff's Academy Class 366 graduated and became full-fledged Sheriff's Deputies. Supervisor Gloria Molina proudly provided the keynote speech at the swearing-in ceremony, which was held at the Pasadena Civic Auditorium.

"Other jurisdictions are bragging about their hiring efforts," Supervisor Molina said during her speech. "But only the County of Los Angeles can say that they hired and trained 1,065 in one calendar year – a phenomenal accomplishment. And I am so proud of the fact that one of my own former employees, Connie Cheng, is part of Academy Class 366."

At one point, the County of Los Angeles had over 1,200 Sheriff's Deputy vacancies. This made it tough for the Sheriff's Department to effectively patrol our communities and properly staff our jails. But Sheriff Lee Baca and his team – with support from the Board of Supervisors – quickly worked on a major Sheriff's Deputies recruitment and retention campaign. The remarkable results speak for themselves.

"I realize that there will be challenges over the course of your career," Supervisor Molina continued. "Because while assigned to the jails and patrolling the streets, you will come across the worst in our society – child molesters, rapists, murderers, gang members, drug dealers – people who do not respect the law. At times, it may seem to you as if this difficult, even violent population really reflects society as a whole. However, it is my hope that you do not allow the worst of us to taint your perception of the entire community. Because the role of a Sheriff's Deputy or any law enforcement officer has evolved, it is no longer strictly about enforcement. It is about developing connections with the law-abiding citizens who want to help you do your job – even in communities that have lost faith in law enforcement – which means that every interaction you have with individual residents adds up to one big impression by the community – and it is important to me that their impression is positive and trusting."



*Supervisor Gloria Molina gives the keynote speech at a graduation ceremony for Sheriff's Deputy Academy Class 366.*



*Connie Cheng, formerly an employee with Supervisor Gloria Molina's office, and her fellow colleagues in Sheriff's Deputy Academy Class 366 are officially sworn in as full-fledged Los Angeles County Sheriff's Deputies.*

"I am not asking you to be naïve or to gloss over the fact that the nature of your job requires you to come into contact with 'the worst of the worst,'" Supervisor Molina concluded. "I know your job is dangerous, and I expect you to keep your guard up, because I want you to arrest the gang members who bully our innocent children and recruit them to a wasted life. But know that you are not entering your career here alone. Know that I am behind you, and the communities that elected me are in your corner. From Pomona to East Los Angeles, from Compton to Lancaster, the number one priority is ridding our communities of gang violence. So, 'let's be careful out there.'"

**WeTip WELFARE FRAUD**  
**1-800-87-FRAUD**



# RETIREES

*Congratulations to the following employees who are joining the ranks of the retired after 30 or more years of service to the people of the County of Los Angeles:*

**CHILD SUPPORT SERVICES:** Dorothy Rish  
**DISTRICT ATTORNEY:** Denise M. Dube, Michael A. Wilson  
**FIRE:** Mark R. Kyllingstand, Richard C. Shipley  
**HEALTH SERVICES:** Virginia L. Arnold, Shirley A. Davis, Michael Hernandez, Hanna Kanawati, Donald K. Mitchell, Gloria Myles, Alberta Williams  
**INTERNAL SERVICES:** Ignacio A. Bautista Jr, George M. Mena  
**MENTAL HEALTH:** Cynthia T. Harada  
**PROBATION:** Santos Renteria  
**PUBLIC HEALTH:** Leonor Umina  
**PUBLIC SOCIAL SERVICES:** Elizabeth Harrison, Audry L. Jimison  
**PUBLIC WORKS:** Darlene G. Brown, Kenneth B. Powell  
**REGIONAL PLANNING:** Clarice W. Jamison-Johnson  
**SHERIFF:** Gordon E. Carn, Michael J. Connolly, Curtis T. Holtmeier, Dreama L. Jimenez, Donald R. Jones, Charles R. Jurcak, Paul K. Kaser, Wesley J. Kutz II, Patricia A. Marin, Vicky J. McKown, Sherman Moten, Ellender C. Spicer, Bruce M. Stephenson  
**SUPERIOR COURT:** Barbara A. Smith

*Congratulations to the following employees who are joining the ranks of the retired after 25 or more years of service to the people of the County of Los Angeles:*

**CHIEF EXECUTIVE OFFICE:** Alma R. Medina  
**CHILD SUPPORT SERVICES:** Allice Ballard  
**CHILDREN AND FAMILY SERVICES:** Connie Flores  
**DISTRICT ATTORNEY:** T.H. Lamb  
**FIRE:** David J. Barros, Timothy M. Stromer  
**HEALTH SERVICES:** Abel Iniguez, Ethel Larios  
**MENTAL HEALTH:** Mark S. Foster, Barbara Pavey  
**PUBLIC DEFENDER:** Darlene Murdock  
**PUBLIC HEALTH:** Barbara Pavey  
**PUBLIC SOCIAL SERVICES:** Khoi D. Tran, Nancy C. Hackney  
**SHERIFF:** Marshall W. Baird, Peter M. Farino, Gaylord J. Imura, William F. Ridgley, Stephen R. Van Herpe, William S. Wehner, Lloyd G. Wright  
**SUPERIOR COURT:** Helen F. Watson

## Number of Missing Foster Children Declines

*Supervisor Antonovich Seeks Public Assistance to Return 285 Children Still Unaccounted For*

As the result of an investigation ordered by Supervisor Michael D. Antonovich to identify and locate over missing 900 foster youth in 2005, the Department of Children and Family Services now reports that improved data and records verification has reduced that number to just over 500. The Department was subsequently able to locate and stabilize nearly 215 children as a result of youth permanency initiatives moved by Supervisor Antonovich. However, 285 are still unaccounted for.

Initiated by Supervisor Antonovich and passed unanimously by the Board of Supervisors as part of a comprehensive plan to locate missing foster children, a Web site listing names and photos of missing foster children is available at <http://www.missingkidsla.org>.

"This Web site is an important tool that allows the public to aid in the effort to find these children and return them to County care," said Supervisor Antonovich. "Foster youth missing from their placements face further neglect and abuse. Finding the children and returning them to safety is a paramount concern."

The Missing Foster Children Web site integrates the District Attorney's Abducted Children site and also adds missing and abducted children from the Probation system.

## Proper Disposal of Home-Generated Sharps Waste

It is estimated that approximately nine million people nationwide administer self-injections outside traditional health care facilities each year. Many of these self-injectors are people with diabetes and patients receiving home health care who throw their sharps into their trash containers or flush them down the toilet. However, with an estimated three billion sharps being generated each year, these sharps pose a significant health risk to everyone, especially to sanitation and landfill workers who often encounter sharps that have been thrown into the trash.

To ensure appropriate disposal of sharps waste necessary to protect the public from potential exposure to contagious diseases and health and safety risks, Governor Schwarzenegger signed Senate Bill (SB) 1305, which makes it illegal for residents to place home-generated sharps waste in trash, recycling, and green waste containers after September 1, 2008. SB 1305 would also require sharps waste to be collected and transported in approved sharps containers.

**DISPOSAL**

*continued on page 10*

## A Day Without a Bag Press Conference



Supervisor Zev Yaroslavsky showed off a reusable canvas shopping bag to kick off “A Day Without a Bag” at the Grove at Farmers Market. The event was conceived as an education and holiday giveaway program mounted by a coalition of major retailers, local governments and regional environmental groups in the County of Los Angeles. Supervisor Yaroslavsky’s holiday message urged Southland shoppers to give a present to the environment this holiday season by foregoing plastic or paper grocery bags in favor of reusable totes like the one pictured. The bags were distributed free to patrons at high-profile shopping centers throughout the region during the special day of in-store promotions and giveaways. Supervisor Yaroslavsky noted that County residents use more than 6 billion disposable plastic shopping bags each year. According to environmental group Heal the Bay, California municipalities spend nearly \$50 million each year just to collect and dispose of plastic bag waste. Fewer than 5% of plastic grocery bags are recycled annually in Los Angeles, so the remainder consumes precious landfill space, litters public spaces and can harm animal life when the bags blow into waterways. While paper bags are biodegradable under some circumstances, they still require vast amounts of fossil fuels and water to produce, distribute and collect for disposal. Millions around the world have embraced heavy-duty reusable bags as a convenient, environmentally friendly alternative. For more information on safe and environmentally friendly solid-waste reduction and clean-up ideas, visit <http://ladpw.org/epd/NoBagDay/>.

## Supervisor Burke Joins Community Elected Officials and Los Angeles County Department Heads to Dedicate a New County Administration Building in South Los Angeles

On December 14, 2007, Supervisor Yvonne B. Burke, community elected officials and Los Angeles County department heads proudly helped dedicate the new Los Angeles County Administration Building, a four-story, 220,000-square foot modernist design developed by Los Angeles-based ICO Development LLC in conjunction with the Community Redevelopment Agency of the City of Los Angeles.

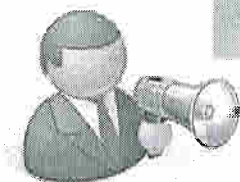
The new community landmark occupies a full block on the east side of Vermont Avenue between 83rd and 84th Streets in South Los Angeles. The dedication was attended by Congressmembers Maxine Waters and Laura Richards, Councilmember Bernard C. Parks, and representatives of the community, City, County, Community Redevelopment Agency of the City of Los Angeles (CRA/LA) as well as the project design, construction and development team.



The new Los Angeles County Administration Building represents a major transformation of multiple parcels of land that were formerly the sites of boarded-up retail buildings partially burned down during the 1992 civil disturbances, over-crowded slum apartments and unused Community Redevelopment Agency parking lots. The sleek new “Class A” building signals a positive new direction for the surrounding community. Housing four County departments under a single roof, with the majority of departmental focus on services for children, the new building stands as the County’s first one-stop center – and a family-centric one at that.

**BURKE**

*continued on page 11*



**ATTENTION L.A. COUNTY EMPLOYEES!!!**

## **EARN YOUR SALARY PLUS EXTRA CASH! BE A POLLWORKER ON FEBRUARY 5, 2008!**

**COUNTY POLLWORKERS (CPW's) ARE CRITICAL TO THE SUCCESS OF THE 2008 ELECTIONS!**

The L.A. County Employee Pollworker Program was approved, by the Board of Supervisors as a response to a nationwide Pollworker shortage. The program enables County employees to serve on Election Day as a Pollworker while still earning their regular daily salary.

### **CPW's are IMPORTANT!**

- ☆ CPW's are often willing to serve in areas where Community Pollworkers are hard to recruit.
- ☆ CPW's are willing to travel to a polling location close to their work site or to a community near their home.
- ☆ CPW's, who speak a language in addition to English, help fill the language requirements at the Polling Places.

### **Program Benefits...**

- ☆ Receive your daily departmental salary PLUS the Pollworker stipend of up to \$175.
- ☆ Meet MAPP goals through County Pollworker Service.
- ☆ Help your community in a time of need.
- ☆ Attending a Pollworker training session is important and it accounts for \$25 of your total stipend.

### **Requirements**

- ☆ County Pollworker must be:
  - ☆ A U.S. Citizen.
  - ☆ 18 years or older.
  - ☆ A registered voter in California.
  - ☆ Have supervisor approval on their application.

### **How to Apply...**

- ☆ Apply on-line at: [www.lavote.net](http://www.lavote.net)
- ☆ Call the Registrar Recorder/County Clerk at 800-815-2666 option 7
- ☆ Contact your department's County Pollworker Program Coordinator
- ☆ Fill out an application and fax it to the Registrar recorder/County Clerk (fax) 562-868-3457.  
(Be on the lookout for an application sent out with your pay stub.)



## Supervisor Knabe Attends the 11<sup>th</sup> Annual "Art Of Rancho" Art Show

Supervisor Knabe, The Rancho Los Amigos Foundation and The Amigos Fund recently hosted the art show's 11th anniversary at the Rancho Los Amigos National Rehabilitation Center.

Dozens of Rancho artists participated along with family, friends and art lovers from throughout the County of Los Angeles. At Rancho, the County's professional and support staff are world-renowned for offering hope to people whose lives have been shattered by a disabling illness or injury.

"The Art of Rancho is a constant reminder that regardless of our challenges, we can truly realize the power of our dreams," said Supervisor Knabe.



## Project 50 Completes Phase One of Skid Row Homeless Effort

Supervisor Zev Yaroslavsky opened a special briefing for County and City staff on Project 50, an ambitious demonstration project to house the 50 most vulnerable residents of the streets of Skid Row in downtown Los Angeles. Supervisor Yaroslavsky has championed the plan, modeled after a highly successful program to reduce homelessness in New York City, particularly in Times Square. That effort was coordinated by Common Ground, a New York social services agency, which was hired to shepherd the Los Angeles project through to completion.

In early December 2007, Common Ground led a team of County, U.S. Department of Veterans Affairs and other homelessness professionals to survey and identify every homeless person living on the streets of Skid Row. Each homeless individual was interviewed and ranked according to a "vulnerability index" that weighed their length of homelessness, health, mental health and other needs. The number one person on the list has lived on the streets for over 37 years and suffers from liver and kidney disease. The top 50 on the list averaged more than nine years of homelessness, and each has several chronic diseases. They were all deemed to be in danger of dying if they remained on the streets.

In mid-January, outreach teams returned to Skid Row to offer these 50 homeless persons permanent supportive housing. The County of Los Angeles and the U.S. Department of Veterans Affairs will provide the supportive social services, including substance abuse treatment, health and mental health services. The City of Los Angeles has earmarked 50 federally provided housing vouchers which will be administered by the Skid Row Housing Trust. If successful, it is the County's hope that the program can be expanded in Skid Row and other parts of the County where there are particularly heavy concentrations of highly vulnerable homeless persons.



# ENRICHING LIVES...

## Back to Basics – Plain Language Works Best

### In General

1. Think about your audience. As the starting point and at every point, design and write the document in a way that best serves the reader. Your main goal is to convey your ideas with the greatest possible clarity.
2. Resist the urge to sound formal. Write as if you were speaking to the reader in person. Omit unnecessary detail. Reduce the information to what your reader needs to know.
3. Use examples as needed to help explain your text.

### Organizing Your Document

1. Present the big pictures before the details. Present your steps chronologically in the order your reader will follow them.
2. Break your material into short, understandable sections.
3. Use descriptive headers and subheaders.

### Words in Documents

1. Use active voice. Active voice makes it clear who is supposed to do what. It eliminates ambiguity about the reader's responsibilities. *You must do it*; not *It must be done*.
2. Use the simplest form of a verb. The simplest – and strongest – form of a verb is present tense. A document written in the present tense is more immediate and less complicated. Using the present tense makes your document more direct and forceful.
3. Don't turn verbs into nouns. Instead of *Please make an application for a personal loan*; write, *Please apply for a personal loan*.
4. Avoid noun strings – groups of nouns sandwiched together.
5. Use pronouns to speak directly to your reader. Using *you* pulls readers into your document and makes it relevant to them. When you use *you* to address readers, they are more likely to understand what their responsibility is.
6. Minimize abbreviations.
7. Omit unnecessary words.
8. Avoid doublets and triplets (*due and payable*; *cease and desist*).
9. Use definitions rarely and with caution. If needed, use common words familiar to your readers.
10. Use the same term consistently for specific thought or object.
11. Avoid legal and technical jargon (*hereby*, *therein*, *whereas*); unnecessary Latin (*i.e.*, *e.g.*); slashes (*and/or*).
12. Give *shall* the boot; use *must* instead.

### Sentences in Documents

1. Write short sentences. As a guideline, keep the average length to about 20 words.
2. Express only one idea in each sentence.
3. Try to put the main subject and verb toward the beginning; make it the agent of the action in the verb; and don't pile up conditions or qualifiers before the main clause.
4. Keep the subject near the verb and the verb near the object. Avoid intrusive phrases, modifiers, and clauses.
5. Put conditionals such as *only* or *always* and other modifiers next to the words they modify. Write *You are required to provide only the following*; not *You are only required to provide the following*.
6. Use parallel structure for parallel ideas. Use a vertical list if your sentence contains multiple conditions or exceptions.



## Paragraphs in Documents

1. Use a topic sentence to help readers follow your train of thought.
2. Cover only one topic in each paragraph.
3. Use transition words to bridge between paragraphs.
4. Write short paragraphs. Long paragraphs discourage readers from even trying to understand your material; short paragraphs are easier to read and understand. As a guideline, keep the average length to about 150 words in three to eight sentences.

## Other Aids to Clarity

1. Use tables and illustrations to make complex material easier to understand.
2. Use *bold and italics* to make important concepts stand out. But limit emphasis to important information, otherwise you'll dilute its impact. Be consistent throughout the document.
3. Avoid using all-capital letters.
4. Minimize cross-references.
5. Design for ease of reading. Use ample white space in margins, between sections, and around headings and other special items.



County of Los Angeles  
Quality and Productivity Commission  
565 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012  
(213) 974-1361

# County of Los Angeles Strategic Plan



## County Vision

"Enriching Lives"

Our **purpose** is to improve the quality of life in Los Angeles County by providing responsive, efficient and high quality public services that promote the self-sufficiency, well-being and prosperity of individuals, families, businesses and communities.

Our **philosophy** of teamwork and collaboration is anchored in our **shared values**:

- **A can-do attitude** - we approach each challenge believing that, together, a solution can be achieved.
- **Accountability** - we accept responsibility for the decisions we make and the actions we take.
- **Compassion** - we treat those we serve and each other in a kind and caring manner.
- **Commitment** - we always go the extra mile to achieve our mission.
- **Integrity** - we act consistent with our values.
- **Professionalism** - we perform to a high standard of excellence.
- **Respect for diversity** - we value the uniqueness of every individual and their perspective.
- **Responsiveness** - we take the action needed in a timely manner.

Our **position** as the premier organization for those working in the public interest is established by:

- A capability to undertake programs that have public value;
- An aspiration to be recognized through our achievements as the model for civic innovation; and a pledge to always work to earn the public trust.

## County Mission

*To enrich lives through effective and caring service*

## Strategic Plan Goals

1. Service Excellence
2. Workforce Excellence
3. Organizational Effectiveness
4. Fiscal Responsibility
5. Children and Families' Well-Being
6. Community Services
7. Health and Mental Health
8. Public Safety

Gloria Molina  
Supervisor  
First District

Yvonne B. Burke  
Supervisor  
Second District

Zev Yaroslavsky  
Supervisor  
Third District

Don Knabe  
Supervisor  
Fourth District

Michael D. Antonovich  
Supervisor  
Fifth District

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## Congress Bars Future Sale and Commercial Development at the West Los Angeles Veterans Administration – Supervisor Yaroslavsky Hails Historic Vote

On Wednesday, December 19, 2007, Congress passed HR 2764, the omnibus budget bill that included long-sought legislative provisions protecting the 380-acre West Los Angeles Veterans' Administration (VA) property against sale, exchange, long-term lease and commercial development. That night, Supervisor Zev Yaroslavsky addressed a rally outside the VA (see picture) to celebrate the historic vote. President Bush signed the bill into law on December 26, 2007.

Supervisor Yaroslavsky worked closely with Senator Dianne Feinstein and Congressman Henry Waxman to win passage of this legislation. "Today's action caps a years-long struggle to protect the VA site in West Los Angeles from the kind of development schemes that would have transformed these hallowed grounds into a real estate speculator's dream," Supervisor Yaroslavsky said. "This legislation will permanently protect the site from such plans. It ensures that it will be preserved for the benefit of veterans in perpetuity."

The West Los Angeles VA site was donated by private land owners in the late 19<sup>th</sup> century for an Old Soldiers Home to serve veterans of the Civil War. The VA facilities have served the needs of veterans of every war since then.

Supervisor Yaroslavsky singled out for praise Senator Dianne Feinstein and Congressman Henry Waxman. "Our Washington representatives used their skill and political clout to protect this vital institution," Supervisor Yaroslavsky said. "In doing so, they answered the call of our veterans who deserved no less."



Visit <http://dhr.lacounty.info>  
for information on  
employment opportunities  
with the  
County of Los Angeles

### DISPOSAL

*continued from page 4*

Currently, the County of Los Angeles accepts sharps waste at its weekly Household Hazardous Waste (HHW) collection events, the Antelope Valley Environmental Collection Center (AVECC), and they are also accepted at the City of Los Angeles' permanent collection centers. However, Public Works plans to enhance its existing HHW Management Program by implementing a Sharps Collection Program (Sharps Program) for the collection and disposal of home-generated sharps.

As part of the Sharps Collection Program, Public Works will purchase State-approved sharps disposal containers. These containers will also be made available to all County residents free of charge. The County's HHW collection events, AVECC, and the City's permanent centers, will continue to serve as collection outlets for the containers. Public Works will also launch a public education and outreach campaign to promote the Sharps Program and educate and inform residents of proper sharps disposal.

For more information on the Sharps Program, visit [www.888CleanLA.com](http://www.888CleanLA.com) or call 1(888) CLEAN LA.

## Supervisor Antonovich Honors Los Angeles Angels of Anaheim's Mike Scioscia and Tony Reagins



Los Angeles County Supervisor Michael D. Antonovich honored one of baseball's great managers, Mike Scioscia, on guiding the Los Angeles Angels of Anaheim to the 2007 American League West Division Championship, and welcomed new Angels' General Manager Tony Reagins, with an official presentation before the Board of Supervisors.

Under Scioscia's leadership, the Angels have captured a record breaking three American League Western Division Championships (2004, 2005, 2007), as well as leading the Angels to their first World Series Championship in 2002.

Tony Reagins, the Angels' new general manager, has been with the organization for over 16 years where he started off his career as an intern. Under his direction, as Director of Player Development (2002-2007), the Angels posted winning records in four of six seasons and were named "Minor League Organization of the Year" in 2003 by *Sporting News*. In his first season as director, six rookies played on the 2002 World Series Championship team, including Chone Figgins, Francisco Rodriguez, John Lackey, Scot Shields and Jose Molina.

Reagins is also a member of the Buck O'Neil Scout Association and an active supporter of the Major League Baseball Urban Youth Academy at Compton Community College. He has arranged for hundreds of at-risk mental health, probation, and foster care youth to attend Angels' games.

Supervisor Antonovich presented plaques to both Scioscia and Reagins for being strong role models for youth in the County to emulate.

**BURKE**

*continued from page 5*

With 125,000 square feet committed for the Child Support Services Department and the Department of Children and Family Services, and an additional 13,500 square feet dedicated to daycare and play areas, the new County building stands as both a symbolic and practicable asset for South Los Angeles' families. Allotments for the County's Department of Public Social Services and Department of Mental Health will round out the remainder of office space.

Beyond the positive aesthetic impact of the new structure on the surrounding area, the Los Angeles County Administration Building presents a substantial economic opportunity for the region. Supervisor Burke explains, "We are just so pleased that local residents and business owners now have hope that the new county building will also attract more retail shops, commercial operations and loyal customers to the long-suffering business district."

With more than 40,000 program participants living within three miles of the new building, the Los Angeles County Administration Building stands as a centerpiece for economic growth in South Los Angeles.

The project has earmarked 4,000 square feet on the building's ground floor for retail and restaurant development, and the substantial increase in daytime population associated with the building is expected to help lower the crime rate in the surrounding area.



## The Los Angeles County

# Strategic Survey Project

The Los Angeles County Strategic Survey Project Continues!

The Strategic Survey Project is part of a process of continuous improvement of the work environment, employee well-being, and employee performance called for in the Los Angeles County Strategic Plan. The Strategic Survey Project involves employees in Strategic Plan implementation by giving them the opportunity to share their perceptions of the work environment and the extent to which the organization supports them, their performance, and the desired County culture.

### Survey Results

Early in 2006, permanent County employees received Strategic Values Surveys and over 23,000 completed surveys were returned. The data has been analyzed and is being reviewed by department management. Here are some highlights.

Results indicate that employees' job related well-being, acceptance of department goals and objectives, commitment to their departments, and performance can be enhanced by programs designed to:

- increase the knowledge, skills, and abilities of employees
- better align employees' work with organizational goals
- improve the work environment
- demonstrate care for employees and appreciation for their contributions.

Several organizational strengths as well as opportunities for improvement were identified.

### Organizational Strengths

**Employee Perception of Own Competence** – 95.7 percent of employees believe that they have the knowledge, skills, and abilities to do a good job.

**Meaningful and Challenging Work** – 72.3 percent of employees indicate that they can use the full range of their skills and abilities and that their work is meaningful and challenging.

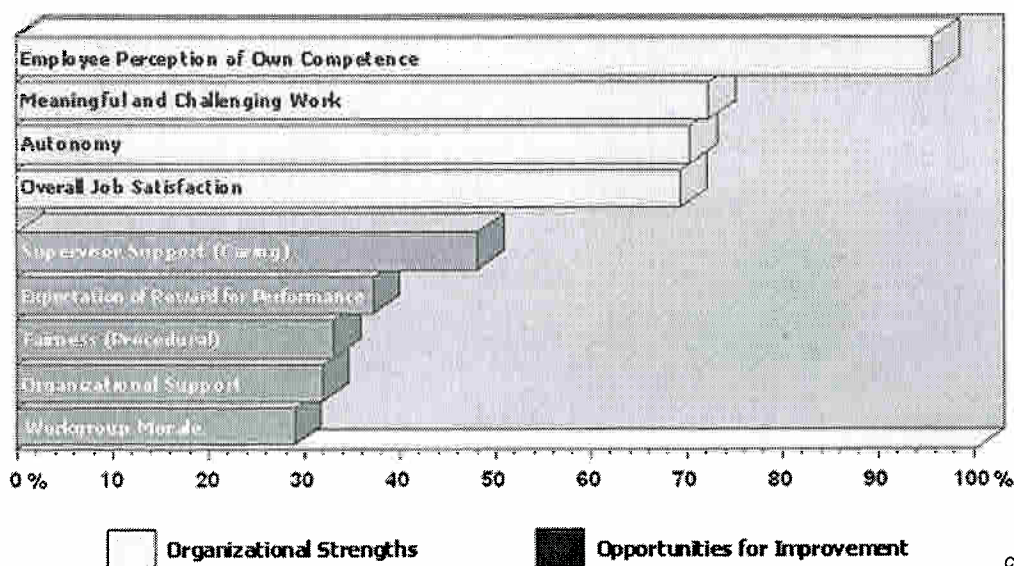
**Autonomy** – 70.4 percent of employees indicate that they have latitude in decision making and responsibility for work outcomes.

**Overall Job Satisfaction** – 69.3 percent of employees expressed satisfaction with their jobs as a whole.

### Opportunities for Improvement

**Supervisor Support (Caring)** – 48.1 percent of employees think that their immediate supervisors value their contributions and care about their well-being.

Percent of Employees with Favorable Views



SURVEY  
continued on page 13

**SURVEY**

*continued from page 12*

**Expectation of Reward for Performance** – 37.2 percent of employees expect that top performance will lead to tangible rewards.

**Fairness (Procedural)** – 33.1 percent of employees believe that decision processes that affect them allow for employee input, rely on accurate information, and are consistent.

**Organizational Support** – 31.9 percent of employees think that the organization values their contributions and cares about their well-being.

**Workgroup Morale** – 29.0 percent of employees indicate that members of their work group are satisfied with, engaged in, and coping well in their jobs.

Note that the areas identified as organizational strengths are relative strengths. There is still room for improvement in these areas. Nevertheless, for those areas identified as opportunities for improvement, fewer than fifty percent of the employees had favorable views. A more detailed description of these summary findings is available on the County's intranet at <http://mylacounty-surveys.org>.

**Acting on Survey Results**

Because the Strategic Survey Project is part of a continuous improvement process, results will continue to be used by departments to improve the work environment and create a

climate that supports excellent customer service. The results are also being used to recommend new Strategic Plan objectives and create countywide programs that will also enhance the work environment. Departments will have to prioritize actions and work within available resources, but departmental efforts will be ongoing and the survey process will help guide decisions for many years to come.

Survey results have also been presented to Department Heads and to Chief Deputies. Department of Human Resources survey team members have met with several departments to review and discuss survey results and possible projects. In addition, participants in each cohort of the Los Angeles County Learning Academy's Bureau Chief Program have reviewed summary survey results and they are developing plans to build on organizational strengths and pursue opportunities for improvement. These program participants continue to assist their departments with implementation of the initiatives.

In the coming months, the Department of Human Resources will work with departments to study their best practices and share departmental insights and successes with other departments and employees across the County. It is expected that departments will continue to review and use the survey results in the context of their own strategic plans to develop and implement programs to improve the work environment; enhance managerial support for employees; and increase employee well-being, commitment, and performance.

**ASSESSOR**

*continued from page 2*

Real Estate Appraisers were needed to staff the Center to educate, inform, and assist homeowners with potential property tax relief offered by the Assessor's Office through their Misfortune and Calamity (M&C) Program. West District Appraisers were also on site to hand out M&C applications and answer questions from the homeowners.

Not surprisingly, the majority of the people who came to the Disaster Relief Center did not know what the Assessor's Office did, or how it could help them. It was a chance for the appraisers to become ambassadors for the whole County and not only walk them through each step of the M&C process, but to explain to the homeowners how the entire property tax system works.

Because of the lack of apartments in the Malibu Hills, everyone who came in for help was a homeowner. They were fascinated with the knowledge and helpfulness of the appraisers. Since the actual appraisers who work that specific area were on site, homeowners were able to arrange appointments and coordinate the transfer of documents on the spot, without having to make any telephone calls or travel to the main office in Culver City.

Los Angeles County employees remained ready to help the devastated homeowners until early evening. When 7 pm came around, everyone said "thank you" to the generous and helpful people and headed home.



## COUNTY OF LOS ANGELES HOUSEHOLD HAZARDOUS AND ELECTRONIC WASTE COLLECTION PROGRAM



**1 (888) CLEAN LA** [www.888CleanLA.com](http://www.888CleanLA.com)

The County of Los Angeles is pleased to offer its residents free, convenient and environmentally safe means to dispose of household hazardous and electronic waste (HHW/E-Waste). The residents may utilize the following weekly mobile events or the permanent collection centers to dispose of their HHW/E-Waste.

Please note that it is illegal to transport more than 15 gallons or 125 pounds of household hazardous waste per trip. HHW/E-Waste from businesses are not accepted. For further information in English or Spanish, please visit [www.888CleanLA.com](http://www.888CleanLA.com) or call 1(888)CLEAN LA.

Sign up with our eNotify system to receive e-mails on upcoming HHW/E-Waste collection events within your area.  
To find out how, visit [www.888CLEANLA.com](http://www.888CLEANLA.com).

- 02/02/08 Santa Fe Springs**  
Rio Hondo College Fire Training Academy  
11400 Greenstone Ave.  
Santa Fe Springs, CA 90607
- 02/09/08 Claremont** – Claremont Corporate Yard  
1616 Monte Vista Avenue  
Claremont, CA 91717
- 02/16/08 Cudahy** – Lugo Park  
7810 Otis Street  
Cudahy, CA 90201
- 02/16/08 Baldwin Park** – Washington Mutual Property  
5000 Commerce Drive  
Baldwin Park, CA 91706

- 02/23/08 Diamond Bar** – City Streets Gateway Corporate Center  
1300 block of Bridge Gate Drive  
Diamond Bar, CA 91756
- 03/01/08 Marina Del Rey** – Dock 52 Parking Lot  
Fiji Way  
Marina Del Rey, CA 90535
- 03/08/08 Manhattan Beach** – Northrup-Grumman  
Aviation Boulevard and Marine Avenue (Northwest Corner)  
Manhattan Beach, CA 90230
- 03/15/08 Pico Rivera** – Southern California Gas Company  
8101 Rosemead Boulevard  
Pico Rivera, CA 90660
- 03/29/08 Long Beach** – Long Beach Veteran's Stadium  
Clark Avenue and Contant Street  
Long Beach, CA 90706

**Los Angeles/ Glendale Location**  
Saturday - Sunday, 9:00 am to 3:00 pm  
4600 Colorado Blvd.  
Los Angeles, CA 90039

**Hyperion Treatment Plant Location**  
Saturday - Sunday, 9:00 am to 3:00 pm  
7660 West Imperial Highway, Gate B  
Playa Del Rey, CA 90293

**Gaffey Street Location**  
Friday - Sunday, 9:00 am to 3:00pm  
1400 N. Gaffey Street  
San Pedro, CA 90021

**Washington Boulevard Location**  
Friday - Sunday, 9:00 am to 3:00pm  
2649 E. Washington Blvd.  
Los Angeles, CA 90023

**UCLA Location (E-Waste accepted on Saturdays only)**  
Thursday - Saturday, 9:00 am to 2:00pm  
550 Charles E. Young Drive  
West Los Angeles, CA 90095

**Randall Street Location**  
Saturday - Monday, 9:00 am to 3:00pm  
11025 Randall Street  
Sun Valley, CA 91352

For more information on the preceding centers, call  
1(800) 98-TOXIC

**Antelope Valley Environmental Collection Center**  
1<sup>st</sup> & 3<sup>rd</sup> Saturday of each month, 9:00 am to 3:00 pm  
Antelope Valley Public Landfill  
1200 West City Ranch Road  
Palmdale, CA 93551  
For more information, call 1(888)CLEAN LA



### City Specific HHW Programs for City Residents only

Residents of Agoura Hills, Calabasas, Glendale, Hidden Hills, Malibu, Norwalk, and Santa Monica can use their city's permanent facilities, curb-side pickup, or temporary events for HHW disposal. Contact your city for details.



# TOO TOXIC TO TRASH

## Examples of What You Can Bring

For additional items or questions, call 1 (888) CLEAN LA.

### HOUSEHOLD HAZARDOUS WASTE

Abrasive cleaners  
Air fresheners  
Antifreeze  
Asbestos  
Automotive products  
Bug spray  
Car batteries  
Chlorine bleach  
Disinfectants  
Drain cleaners  
Fertilizers  
Floor, furniture and shoe polish  
Fluorescent light bulbs  
Fungicides, herbicides, weed killers  
Furniture and paint strippers  
Gasoline and diesel fuel

### HHW (con't.)

Glass/window cleaners  
Hair spray  
Hair relaxers, dyes, permanents  
Herbicides  
Household batteries, NiCad batteries  
Insecticide  
Medicine, unused or expired drugs  
Mercury thermostats  
Nail polish and nail polish remover  
Oven cleaners  
Paints, oil or water based  
Pet products (flea collars and sprays)  
Pool chemicals  
Propane tanks (small)  
Rat, mouse, snail, and slug poisons  
Rug and upholstery cleaners

### HHW (con't.)

Sharps, medical needles  
Solvents  
Stains and varnishes  
Transmission and brake fluid  
Thinners and turpentines  
Tub, tile, and toilet bowl cleaners  
Used motor oil and oil filters  
Weed killers

### E-WASTE

Cell phones  
Computers, Electronic games  
Fax machines, Light switches, Printers  
Televisions, Stereos  
VCR's and DVD players  
Microwaves

### Used Motor Oil/Used Oil Filters

You can always take used motor oil and used oil filters to a certified collection center near you. Residents of Baldwin Park, Glendale, Lawndale, Long Beach, Rancho Palos Verdes, Santa Clarita, and Santa Monica can also use their city's used motor oil curb-side pickup service. Call your City for more information. Residents may also utilize County's permanent used oil/oil filter collection centers in Altadena, Baldwin Park, Canyon Country, Malibu, Marina Del Rey, Los Angeles, Palmdale, Santa Fe Springs and Sun Valley. Call 1(888) CLEAN LA for more information.

### ANNOUNCEMENT

Effective September 1, 2008, home-generated sharps (syringes, lancets, hypodermic needles, pen needles and other devices used to penetrate the skin by injection) waste can no longer be placed in your regular trash can. Instead, please collect your medical sharps in a sturdy container. Seal the container tight to avoid spills and label the container "Sharps" and bring it to any of our HHW collection events or permanent collection centers. Check back with the County in Spring 2008 for the upcoming Sharps Collection Program.

## How to reduce Household Hazardous Waste

### Know Your HHW.

Household Hazardous Waste (HHW) is any product labeled; toxic, poisonous, corrosive, flammable, combustible or irritant that is disposed of.

### Buy Smart.

Purchase non-toxic/less hazardous products and only what you need.

### Store Properly.

Keep products out of reach of children and pets. Toxic products are poisonous —don't put your family's health and safety at risk!

### Use It Up.

Finish all unused products and recycle the containers or donate leftover.

### Protect Our Communities.

NEVER throw HHW into your household garbage, toilets or sinks; never dump on the ground or pour down the storm drains- it is illegal – and HHW can seep into the groundwater waterways and oceans, causing contamination of our drinking water, causing beach closures and posing health hazards to swimmers.

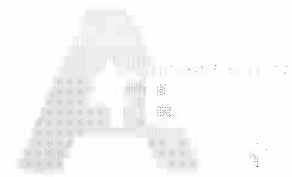
### Dispose Properly.

Dispose of HHW/E-Waste properly at a FREE Los Angeles County Roundup or a permanent center near you!

For alternative non-hazardous recipes visit:  
<http://dpw.lacounty.gov/epd/hhw/alternative.cfm>

Upon 72 hours notice, the Department can provide program information and publications in alternate formats or make other accommodations for people with disabilities. In addition, program documents are available at our main office in Alhambra (900 S. Fremont Ave.), which is accessible to individuals with disabilities. To request accommodations ONLY, or for more ADA information, please contact our departmental ADA Coordinator at (626) 458-4081 or TDD (626) 282-7829, Monday through Thursday, from 7:00 a.m. to 5:30 p.m.

Share It



## Los Angeles County Youth Now Protected from Secondhand Smoke in Cars

### *New State Law Prohibits Smoking in Vehicles with Youth Under 18*

On January 1, 2008, California's new "Smoke-free Cars with Minors" law took effect prohibiting smoking of cigarettes, cigars or pipes in vehicles with youth under 18 years of age. The law is intended to protect children in response to growing scientific evidence that smoking in cars exposes passengers to dangerously high levels of secondhand smoke.

"For the past two decades, Los Angeles County residents and visitors have benefited from public health laws that protect our communities from tobacco and secondhand smoke," said Jonathan E. Fielding, MD, MPH, Director of Public Health and Health Officer. "This new law limiting our youth's exposure to secondhand smoke, specifically in vehicles, is an important and logical extension of that protection."

According to the 2006 Surgeon General's Report, there is no safe level of exposure to secondhand smoke. A recent study published by a team of environmental scientists from Stanford University showed that the level of toxic air caused by smoking in a vehicle can be up to 10 times greater than the level which the U.S. Environmental Protection Agency (EPA) considers hazardous.

"I urge everyone to support this important and necessary public health law. Do not smoke with minors in your vehicle. Do your part to protect our youth from unnecessary health conditions, such as asthma, and the risk for more serious and life-threatening illnesses," said Fielding. Evidence shows that children are especially vulnerable to the health effects caused by breathing secondhand smoke in confined spaces, such as in a vehicle. Secondhand smoke is a known cause for bronchitis, asthma, pneumonia and ear infections in children. The harmful chemicals in secondhand smoke can remain in the air in a vehicle for many hours and even days after a cigarette, cigar or pipe has been smoked. These chemicals also stick to surfaces, such as a child's car seat, making it a potential source of danger to children. Senate Bill (SB) 7 went into effect on the first day of 2008, prohibiting smoking of cigarettes, pipes or cigars in any motor vehicle, regardless of whether the vehicle is stationary or moving, in which a minor is present. A violation is punishable by a fine of up to \$100 and categorized as a secondary offense.

For more information, visit our Web site at [www.lapublichealth.org/tob](http://www.lapublichealth.org/tob), or visit the California Clean Air Project at [www.ccap.etr.org](http://www.ccap.etr.org).

For information on quitting smoking, please visit [www.lapublichealth.org/tob](http://www.lapublichealth.org/tob), or call the California Smoker's Helpline at (800) NO-BUTTS (English) or (800) 45-NO-FUME (Spanish). The Department of Public Health is committed to protecting and improving the health of the over 10 million residents of Los Angeles County. Through a variety of programs, community partnerships and services, Public Health oversees environmental health, disease control, and community and family health. Public Health comprises more than 4,000 employees and an annual budget exceeding \$750 million. To learn more about Public Health and the work we do, please visit <http://www.lapublichealth.org>.



#### Members of the Board

**Yvonne B. Burke**  
Chair  
Second District

**Gloria Molina**  
First District

**Zev Yaroslavsky**  
Third District

**Don Knabe**  
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**Michael D. Antonovich**  
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**Michael J. Henry**  
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Ombudsman/Community Liaison

**John S. Mina**  
Managing Editor

**Simon Y. Lee**  
Editor



**HOUSING AUTHORITY  
of the County of Los Angeles**

Administrative Office

2 Coral Circle • Monterey Park, CA 91755  
323.890.7001 • TTY: 323.838.7449 • [www.lacdc.org](http://www.lacdc.org)



**Gloria Molina**  
**Yvonne Brathwaite Burke**  
**Zev Yaroslavsky**  
**Don Knabe**  
**Michael D. Antonovich**  
*Commissioners*

**Carlos Jackson**  
*Executive Director*

February 27, 2008

Honorable Housing Commissioners  
Housing Authority of the  
County of Los Angeles  
2 Coral Circle  
Monterey Park, California 91755

Dear Commissioners:

**APPROVE THE AGENCY PLAN FOR THE HOUSING AUTHORITY OF THE COUNTY  
OF LOS ANGELES (ALL DISTRICTS)**

**IT IS RECOMMENDED THAT YOUR COMMISSION:**

1. Recommend that the Board of Commissioners find that the attached Agency Plan, which consists of the Five-Year Plan for Fiscal Years 2008-2012 and the Annual Plan for Fiscal Year 2008-2009, as described herein, are not subject to the provisions of the California Environmental Quality Act (CEQA), because they will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners approve the attached Agency Plan, as required by the U.S. Department of Housing and Urban Development (HUD), to update the Housing Authority's program goals, major policies and financial resources, including the Capital Fund Annual Statement and Five-Year Action Plan, the Admissions and Continued Occupancy Policy for the Conventional Public Housing Program, the Public Housing Lease Agreement, and the Section 8 Tenant-Based Program Administrative Plan.
3. Recommend that the Board of Commissioners adopt and instruct the Chair to sign the attached Resolution approving the Agency Plan for submission to HUD, and authorizing the Executive Director of the Housing Authority to take all actions required for implementation of the Agency Plan.
4. Recommend that the Board of Commissioners authorize the Executive Director to execute all documents required to receive approximately



\$5,980,536 in Capital Fund Program funds from HUD for resident programs, operating costs, and the rehabilitation of 2,184 housing units at 18 Conventional Public Housing Program developments throughout Los Angeles County, as described in the Agency Plan.

5. Recommend that the Board of Commissioners authorize the Executive Director to incorporate into the Agency Plan all public comments received and approved for inclusion by your Board; and authorize the Executive Director to submit the Agency Plan to HUD by April 17, 2008.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:**

Section 511 of the Quality Housing and Work Responsibility Act of 1998 (QHWRA) mandates that the Housing Authority submit an Annual Plan to update program goals and objectives each year.

**FISCAL IMPACT/FINANCING:**

There is no impact on the County general fund. Upon approval of the Agency Plan, the Housing Authority will receive approximately \$5,980,536 in Capital Fund Program funds from HUD for resident programs, administrative costs and housing rehabilitation for the Conventional Public Housing Program. Operating funds for the Conventional Public Housing Program and administrative fees for the Section 8 Tenant-Based Program are allocated through a separate budgetary process.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS:**

On October 21, 1998, the QHWRA mandated that all housing authorities submit an Agency Plan to HUD. The Agency Plan identifies goals, major program policies, and financial resources for both the Conventional Public Housing Program and Section 8 Tenant-Based Program. It consists of a Five-Year Plan and an Annual Plan.

The Five-Year Plan is a strategic planning document that identifies the Housing Authority's goals for the next five years. On April 6, 2004, your Board approved the current Five-Year Plan for the period extending from July 1, 2004 through June 30, 2008.

The Annual Plan identifies major program policies and financial resources. It updates information on housing needs, waiting lists, housing strategies, deconcentration and income mixing plans, income analyses, and other program and management data. The Annual Plan must be updated each year, and was last approved by your Board on April 3, 2007.

Also included as part of the Agency Plan are the updated Capital Fund Annual Statement and Five-Year Action Plan, the Admissions and Continued Occupancy Policy



for the Conventional Public Housing Program, the Public Housing Lease Agreement and the Section 8 Tenant-Based Program Administrative Plan. Significant changes to these documents are discussed below.

### **Five-Year Plan**

The Five-Year Plan has been amended this year to include one change. In accordance with Executive Order 13166, the Housing Authority has included a description of goals and objectives that are in place to ensure that persons with Limited English Proficiency (LEP) have meaningful access to Housing Authority programs and activities.

### **Capital Fund Annual Statement**

During Fiscal Year 2006-2007, a total of 1,493 housing units were rehabilitated at 10 Conventional Public Housing Program developments throughout Los Angeles County.

The 2008-2009 Capital Fund Annual Statement summarizes the Housing Authority's plan to use modernization funds to rehabilitate 2,184 housing units at 18 Conventional Public Housing Program developments throughout Los Angeles County. Included are proposed work items, estimated costs, and an implementation schedule for the work to be completed. Also provided is a list of programs and funding for non-modernization activities, including: the maintenance of family learning centers; crime prevention programs; resident self-sufficiency training programs; upgrading of computers; and program staffing.

As authorized by HUD, the Executive Director may amend the Capital Fund Annual Statement as necessary to respond to needs such as housing emergencies, to safeguard property or protect health and safety, or to implement other changes that are in the interests of the Housing Authority and public housing residents. The Executive Director may also implement changes to the Capital Fund Annual Statement in response to changes in federal funding.

### **Admissions and Continued Occupancy Policy and Lease Agreement for the Conventional Public Housing Program**

The Admissions and Continued Occupancy Policy (ACOP) and Lease Agreement for the Conventional Public Housing Program ("Lease Agreement") sets guidelines to determine eligibility for admission and continued occupancy. The revised document reflects two changes.

In accordance with the Violence Against Women and Department of Justice Reauthorization Act of 2005 ("VAWA"), the Housing Authority has developed and implemented policies and procedures protecting victims of domestic violence, dating violence, and stalking from discrimination. The Housing Authority will not deny admission to an applicant who is, or has been, a victim of domestic violence, dating violence, or stalking, if the person otherwise qualifies for assistance. Additionally, the

Housing Authority will not evict a current tenant solely because the tenant is, or has been, a victim of domestic violence, dating violence, or stalking.

Second, in order to comply with Executive Order 13166, the Housing Authority has developed an LEP Plan to be included in the ACOP to ensure that LEP persons have meaningful access to Housing Authority programs and activities.

### **Section 8 Tenant-Based Program Administrative Plan**

The purpose of the Section 8 Tenant-Based Program Administrative Plan is to set forth the policies and procedures that govern the Housing Authority's administration of rental assistance under this program. The revised Section 8 Tenant-Based Program Administrative Plan reflects three changes.

First, the Housing Authority currently has six waiting list preferences, with families of veterans and current members of the armed forces given priority in each category.

In order to provide more equal access to the Section 8 program to all households on the waiting list, the Housing Authority will now consider applicants in order of preference and then date and time applied. Previously, it was necessary to differentiate between applicants who submitted their applications at approximately the same time. However, due to an upgraded computer system that can now differentiate between applications filed only seconds apart, this previous "tie-breaker" preference offered to seniors and the disabled is no longer applicable and this preference category will therefore be removed. Low-income families, seniors and the disabled will be pulled from the waiting list in the order they applied.

Therefore, the Housing Authority has revised its preferences to reflect the following:

1. Families referred through specially funded programs;
2. Families whose assistance was terminated due to a loss of funding;
3. Families residing or working within the Housing Authority's jurisdiction;
4. Families or individuals who are displaced due to natural disaster or government action and referrals from law enforcement agencies;
5. Date and Time.

Second, in order to comply with Executive Order 13166, the Housing Authority has developed an LEP Plan to be included in the Administrative Plan to ensure that LEP persons have meaningful access to the Housing Authority programs and activities.

Third, the Housing Authority currently denies admission to all applicants on parole or probation. This policy goes beyond HUD regulations that keep the worst offenders off the program, and results in the exclusion of those who commit petty crimes, such as traffic-related offenses. The Housing Authority will now consider, on a case-by-case basis, admitting individuals to the Section 8 program who are currently on parole or

probation for traffic-related or other petty misdemeanors and who are otherwise eligible under HUD regulations. The Housing Authority will continue to take into consideration patterns of behavior that may threaten the health, safety, or peaceful enjoyment of the premises by others.

As required by Section 24 of the Code of Federal Regulations, Part 903.17, a public hearing to approve the Agency Plan was conducted. Copies of the Agency Plan were made available for public review and comment during a 45-day comment period extending from December 28, 2007 to February 10, 2008 at nine public libraries, 11 housing developments, the South Whittier Community Resource Center, Housing Authority administrative offices, and the Housing Authority web site. Notices of the availability of the documents and the public hearing were also published in newspapers of general circulation during the 45-day period.

The Summary of Public Outreach regarding the amended Agency Plan, a list of the 18 Conventional Public Housing Program developments in the Capital Fund Annual Statement for Fiscal Year 2008-2009, and the Agency Plan, are provided as Attachments, A, B, and C, respectively.

The Resolution approving the Agency Plan has been approved as to form by County Counsel. At the conclusion of the Public Review and Comment period, the Housing Authority will provide to your Board all public comments pertaining to the Agency Plan. At the conclusion of the public hearing, public comments approved by your Board will be incorporated into the Agency Plan and submitted to HUD.

### **ENVIRONMENTAL DOCUMENTATION**

These activities are exempt from the provisions of the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3), because they involve administrative activities that will not have a physical impact on or result in any physical changes to the environment. The activities are also not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

Prior to implementation of any particular rehabilitation project, an Environmental Service Request (ESR) will be submitted to the Community Development Commission's Environmental Services Unit for review. Each project will receive an environmental clearance in accordance with California Environmental Quality Act (CEQA) Guidelines and National Environmental Policy Act (NEPA) regulations before proceeding with the project.

Honorable Housing Commissioners

February 27, 2008

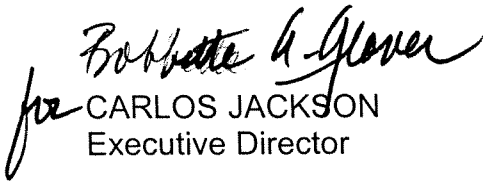
Page 6

**IMPACT ON CURRENT PROGRAMS:**

Submission of the Agency Plan is required by HUD for the receipt of Capital Fund Program funds, and for the continuation of the Conventional Public Housing Program and Section 8 Tenant-Based Program.

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Respectfully submitted,

for CARLOS JACKSON  
Executive Director

Attachments: 2

## Attachment A

### Summary of Public Outreach

Section 511 of the QHWRA instructs every public housing authority to convene one or more Resident Advisory Boards (RABs) to assist and make recommendations on the development of the Agency Plan, as well as on any significant amendments or modifications. Conventional Public Housing Program residents and Section 8 Tenant-Based Program participants were invited to participate on the RAB to learn about programs included in the Agency Plan and to provide input.

#### **Summary of RAB Activities:**

##### Conventional Public Housing Program

- In October 2007, the Housing Authority sent a letter inviting Resident Councils to participate in the Agency Plan process.
- Eighteen Resident Council members participated in the RAB to develop the Agency Plan.
- Three public housing RAB meetings were held at the Nueva Maravilla housing development from October to December 2007.

##### Section 8

- On September 7, 2007, a newsletter was sent to all Section 8 participants, inviting them to participate in the Agency Plan process.
- Twenty RAB members volunteered to participate in the development of the Agency Plan.
- Three Section 8 RAB meetings were held in October 2007 and two in November 2007.

##### Other Outreach Activities

- A summary of the RAB comments and Housing Authority responses are included in Attachment E of the Agency Plan.
- A written Spanish version of HUD Form 50075, the Agency Plan template, was made available at Public Housing RAB meetings.
- Spanish translators were provided during the Conventional Public Housing RAB meetings. Spanish and Russian translators were provided during the Section 8 RAB meetings.
- In December 2007, a public notice was mailed to all Section 8 program participants notifying them of the 45-day Public Review and Comment Period.
- In December 2007, a public notice was mailed to all Conventional Public Housing residents notifying them of the 45-day Public Review and Comment Period.
- In December 2007, a public notice announcing the 45-day Public Review and Comment Period was published in the Los Angeles Times, La Opinion, the Daily News, Wave Community Newspaper, International Daily News, L.A. Sentinel and

the Long Beach Press Telegram. The names of bilingual (Spanish and Russian) Housing Authority staff contacts were provided in the public notice.

- During the public comment period, the Agency Plan was made available at nine public libraries, 11 housing developments, the South Whittier Community Resource Center, the Housing Authority administrative office in Monterey Park, the Section 8 administrative office in Santa Fe Springs, the Section 8 Palmdale office and the Housing Authority web site.
- Summaries of the Agency Plan were available during the Public Review and Comment Period in Braille, Russian, Korean, Spanish and Mandarin Chinese at the above locations.
- Information regarding the Agency Plan is published annually in the Section 8 Tenant Talk newsletter.

## Attachment B

### Capital Fund Rehabilitation

<u>Housing Development</u>	<u>Addresses</u>	<u>District</u>
1. Francisquito Villa	14622 Francisquito Avenue La Puente, CA 91746	1
2. Herbert Avenue	133 Herbert Avenue Los Angeles, CA 90063	1
3. McBride Avenue	1229 s. McBride Avenue Los Angeles, CA 90023	1
4. Nueva Maravilla	4919 Cesar Chavez Avenue Los Angeles, CA 90022	1
5. Whittier Manor	11527 Slauson Avenue Whittier, CA 90606	1
6. El Segundo II	2140 E. El Segundo Blvd. Compton, CA 90222	2
7. Normandie Avenue	11431 S. Normandie Avenue Los Angeles, CA 90047	2
8. West 106th Street	1100 W. 106 <sup>th</sup> Street Los Angeles, CA 90044	2
9. Southbay Gardens	230 E. 130 <sup>th</sup> Street Los Angeles, CA 90061	2
10. West 90 <sup>th</sup> Street	1115-16 West 90 <sup>th</sup> Street Los Angeles, CA 90044	2
11. Woodcrest I	1239 W. 109 <sup>th</sup> Street Los Angeles, CA 90044	2
12. Woodcrest II	1245 W. 109 <sup>th</sup> Street Los Angeles, CA 90044	2
13. West Knoll Apartments	838 West Knoll Drive West Hollywood, CA 90069	3
14. Palm Apartments	959 Palm Avenue West Hollywood, CA 90069	3
15. Ocean Park	175 Ocean Park Blvd Santa Monica, CA 90405	3
16. Carmelitos	1000 Via Wanda	4



	Long Beach, CA 90805	
17. Carmelitos Seniors	761 Via Carmelitos Long Beach, CA 90805	4
18. Harbor Hills	26607 S. Western Avenue Lomita, CA 90717	4



**Carlos Jackson**  
Executive Director

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**Gloria Molina**  
**Yvonne Brathwaite Burke**  
**Zev Yaroslavsky**  
**Don Knabe**  
**Michael D. Antonovich**  
Commissioners

February 27, 2008

Honorable Housing Commissioners  
Housing Authority of the  
County of Los Angeles  
2 Coral Circle  
Monterey Park, California 91755

Dear Commissioners:

**APPROVE THREE ELEVATOR CONSULTING SERVICES AGREEMENTS FOR  
ELEVATOR MODERNIZATION AT THREE HOUSING AUTHORITY  
SENIOR HOUSING DEVELOPMENTS (2, 3)**

**IT IS RECOMMENDED THAT YOUR COMMISSION:**

1. Recommend that the Board of Commissioners find that the approval of consulting services agreements (Agreements) is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the action will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners approve and authorize the Executive Director to execute three separate two-year Agreements in the aggregate amount of \$169,570, in substantially the form of the attached, and all related documents, with IDS Group, Inc. (Consultant), to complete design services for the modernization of a total of eight elevators at the following three senior housing developments: South Bay Gardens located in the unincorporated area of Los Angeles County, Marina Manor I and II located in Marina Del Rey, and Palm Apartments located in West Hollywood, to be effective following execution by all parties.
3. Recommend that the Board of Commissioners authorize the Executive Director to use a maximum aggregate amount of \$169,570 in Capital Fund Program (CFP) funds included in the Housing Authority's approved Fiscal Year 2007-2008 budget, for the purposes described herein.

4. Recommend that the Board of Commissioners authorize the Executive Director to execute amendments to the Agreements, following approval as to form by County Counsel, to extend the time of performance for an additional year, to allow the Consultant to perform construction observation services during the construction phase of the project. Compensation for services for the additional year is included in the aggregate amount of \$169,570.
5. Recommend that the Board of Commissioners authorize the Executive Director to execute change orders to the Agreements, and all related documents, following approval as to form by County Counsel, to increase the Agreements by up to an aggregate amount of \$33,914, for unforeseen project costs, using the same source of funds described above.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:**

The purpose of this action is to award three separate two-year Agreements to the Consultant for design services for the modernization of a total of eight elevators at three senior housing developments: South Bay Gardens located in the unincorporated area of Los Angeles County, Marina Manor I and II located in Marina Del Rey, and Palm Apartments located in West Hollywood.

**FISCAL IMPACT/FINANCING**

There is no impact on the County general fund. The aggregate amount of the three Agreements is being funded with \$169,570 in CFP funds, excluding any contingencies, and is included in the Housing Authority's approved Fiscal Year 2007-2008 budget. A 20% contingency, in the amount of \$33,914, is also being set aside for unforeseen costs, using the same source of funds.

The Agreements may be extended for one additional year to allow the Consultant to perform construction observation services during the construction phase of the project. Compensation for these services is included in the \$169,570.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS:**

The eight elevators at the three senior housing developments are original to each of the buildings. The three-story, 100-unit South Bay Gardens senior housing development was built in 1981 and has two elevators. The four-story, 71-unit Marina Manor I, and eight-story, 112-unit Marina Manor II, were built in 1983 and have a total of four elevators. The five-story, 127-unit Palm Apartments was built in 1978 and has two elevators.

The Consultant will be responsible for preparing the designs, plans, calculations, and specifications for the eight elevators, as well as obtaining all plan check approvals, assisting with the bid phase to identify a contractor to perform the needed elevator

modernization, and performing construction observation services.

Should the Consultant require additional or replacement personnel during the term of the Agreement, it will give consideration for any such employment openings to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program who meet the minimum qualifications for the open positions. ~~The Consultant will contact the County's GAIN Division for a list of participants by job category.~~

The Agreements have been approved as to form by County Counsel.

#### **ENVIRONMENTAL DOCUMENTATION:**

Approval of the Agreements is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3) because it involves administrative activities that will not have a physical impact or result in any physical changes to the environment. The activities are not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

#### **CONTRACTING PROCESS:**

On September 1, 2006, the Housing Authority initiated a Request for Qualifications (RFQ) process to identify a qualified and experienced architectural and engineering firm to provide the needed elevator evaluation and design services. Notices of the RFQ were mailed to 46 architectural and engineering firms identified from the Housing Authority's vendor list. Announcements also appeared in eight local newspapers and on the County Web Site. Three RFQs were requested and distributed.

On September 28, 2006, two firms submitted Statements of Qualifications (SOQ). A review panel of Housing Authority personnel evaluated the two SOQs and determined that the two top-ranked firms, IDS Group, Inc., and Amtech Elevator Services, were qualified.

On June 12, 2007, the performance of the firms was evaluated by the review panel, which determined that IDS Group, Inc., is the most qualified firm to provide the necessary services. The Housing Authority entered into an Agreement in the amount of \$11,200 with the firm to complete the evaluation and inspection assessment phase of all eight elevators at South Bay Gardens, Marina Manor I and II, and Palm Apartments senior housing developments

Subsequently, IDS Group, Inc., was invited to submit a fee proposal for the design services phase, based on data gathered in the evaluation and inspection assessment

phase, and entered into negotiations with the Housing Authority, resulting in the proposed Agreements for an aggregate amount of \$169,570. The details of the fees by site are as follows:

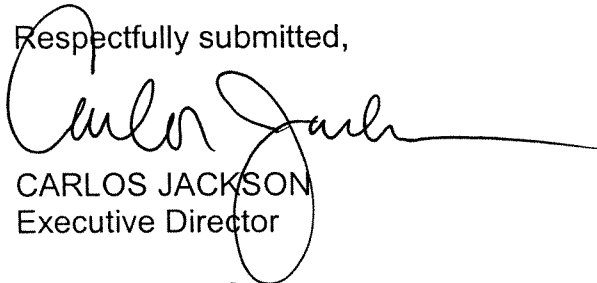
South Bay Gardens	\$44,000
Marina Manor I and II	\$81,855
Palm Apartments	<u>\$43,715</u>
Total:	\$169,570

The Summary of Outreach Activities is provided with this letter as Attachment A.

**IMPACT ON CURRENT PROJECT:**

The proposed Agreements will provide for the necessary evaluation and design services for the modernization of the eight elevators at the three senior housing developments.

Respectfully submitted,



CARLOS JACKSON  
Executive Director

Attachments: 2

## ATTACHMENT A

### Summary of Outreach Activities

#### Request for Qualifications (RFQ) for Elevator Consulting Services

On September 1, 2006, the following was initiated to identify the most qualified firm to provide the necessary elevator consulting services for the Housing Authority's housing developments.

---

##### A. Newspaper Advertising

Beginning on September 1, 2006, announcements of the RFQ appeared in the following eight newspapers.

Dodge Construction News  
Eastern Group Publications  
International Daily News  
La Opinion

Los Angeles Sentinel  
Los Angeles Times  
The Daily News  
Wave Community Newspapers

The announcement and complete RFQ was posted on the County Web Site for a 23-day advertisement period. Firms were asked to request the RFQ via email directly through the County Web Site or to obtain the RFQ at the Housing Authority.

##### B. Distribution of RFQs

The Housing Authority's vendor list was used to mail out the announcement of the RFQ to 46 elevator, architectural and engineering firms, of which eight identified themselves as businesses owned by minorities or women (private firms which are 51 percent owned by minorities or women, or publicly-owned businesses in which 51 percent of the stock is owned by minorities or women). As a result of the outreach, three RFQs were requested and distributed.

##### C. Statements of Qualifications (SOQs)

On September 28, 2006, a total of two firms submitted SOQs, of which none identified themselves as minority-owned.

##### D. Review of SOQs

On June 12, 2007, a review panel evaluated the performance of the firms and determined that IDS Group, Inc., was the most qualified firm to provide the necessary services. The Housing Authority entered into an Agreement in the amount of \$11,200 with the firm to complete the evaluation and inspection assessment phase of all eight elevators at South Bay Gardens, Marina Manor I and II, and Palm Apartments senior housing developments



Subsequently, IDS Group, Inc, was invited to submit a fee proposal for the design services phase, based on data gathered in the evaluation and inspection assessment phase, and entered into negotiations with the Housing Authority, resulting in an aggregate amount of \$169,570 for the eight elevators.

E. Minority/Women Participation– Firm Selected

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
IDS Group, Inc.	Non-Minority	Total: 21 12 minorities 5 women 55% minority 20% women

F. Minority/Women Participation – Subcontractor Firm Selected

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
Lerch, Bates, Inc.	Information Not Available	Total: NA NA minorities NA women NA% minority NA% women
OMB Engineers	Information Not Available	Total: NA NA minorities NA women NA% minority NA% women
FT Andrews, Inc.	Information Not Available	Total: NA NA minorities NA women NA% minority NA% women

G. Minority/Women Participation –Firm Not Selected

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
Amtech Elevator Services	Non-Minority	Total: 20 10 minorities 4 women 50% minority 20% women

The Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, by providing information at local and national conferences, conducting seminars for minorities and women regarding programs and services, advertising in newspapers to invite placement on the vendor list, and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority. The recommended award of contract is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

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**Contract Summary**

**Project Name:** Elevator evaluation and design services  
**Locations:** South Bay Gardens, 230 East 130<sup>th</sup> Street, unincorporated Los Angeles County  
Marina Manor I and II, 3401 & 3405 Via Dolce, Marina Del Rey  
Palm Apartments, 959 North Palm Avenue, West Hollywood

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**Bid Number:** CDC07-148  
**Bid Date:** September 28, 2006  
**Contractor:** IDS Group, Inc.  
**Services:** Prepare complete elevator analysis, architectural and engineering construction drawings and specifications for the modernization of eight elevators

**Contract Documents:** Attachment A – Fee Schedule, Attachment B - Statement of Work, Attachment C - Required Forms, and Attachment D - Required Notices

**Time of Commencement:** Services for each phase shall be performed upon receipt of a written Notice to Proceed from the Housing Authority. The Consultant will only perform the scope of work for the phase(s) identified in the Notice to Proceed.

**Aggregate Contract Sum:** The Housing Authority shall pay the Contractor for the performance of the Construction Contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of **One Hundred Sixty Nine Thousand Five Hundred Seventy Dollars and Zero Cents (\$169,570)**. The Contract Sum is not subject to escalation, includes all labor and material increases anticipated throughout the duration of this Construction Contract.

**Contract Contingency:** \$33,914.00



**Carlos Jackson**  
Executive Director

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**Michael D. Antonovich**  
Commissioners

February 27, 2008

Honorable Housing Commissioners  
Housing Authority of the  
County of Los Angeles  
2 Coral Circle  
Monterey Park, California 91755

Dear Commissioners:

**AUTHORIZE EXECUTIVE DIRECTOR TO REQUEST RENEWAL OF FUNDING  
AND EXECUTE TWO HOUSING ASSISTANCE PAYMENTS CONTRACTS WITH  
THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
FOR LANCASTER HOMES AND KINGS ROAD  
SENIOR HOUSING DEVELOPMENTS (3, 5)**

**IT IS RECOMMENDED THAT YOUR COMMISSION:**

1. Recommend that the Board of Commissioners find that requesting renewal of funding and executing two Housing Assistance Payments (HAP) contracts are not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the actions will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners authorize the Executive Director of the Housing Authority of the County of Los Angeles (Housing Authority) to request renewal of HAP funding and execute two HAP contracts with the U.S. Department of Housing and Urban Development (HUD) to continue the funding of rent subsidies at the Lancaster Homes and Kings Road senior housing developments located in the Cities of Lancaster and West Hollywood, respectively, following approval as to form by County Counsel.
3. Recommend that the Board of Commissioners authorize the Executive Director to execute additional administrative documents as may be necessary for the purposes identified above.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:**

The purpose of this action is to authorize the Executive Director to request renewal of HAP funding and execute two HAP contracts with HUD to continue funding of the rent subsidies at the Lancaster Homes and Kings Road senior housing developments.

**FISCAL IMPACT/FINANCING:**

There is no impact on the County general fund. Funding for the rent subsidies at the two senior housing developments will be provided by HUD. The annual subsidy amounts and terms of the new HAP contracts will be determined by HUD at a later date. Under the current HAP contracts, the rent subsidy funding level for the current fiscal year is \$971,563 for Lancaster Homes, and \$801,142 for Kings Road.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS:**

The 120-unit Lancaster Homes and 106-unit Kings Road senior housing developments are federally funded under the Section 8 New Construction Program.

The Housing Authority entered into 30-year HAP contracts with HUD for Lancaster Homes on February 1, 1979 and for Kings Road on October 24, 1980; the HAP contracts will expire on January 21, 2009, and October 23, 2010, respectively. Because the contract renewal process is lengthy, it is advisable to begin the process approximately one year prior to the expiration of the HAP contracts in order to ensure timely renewal and uninterrupted funding by HUD. Requesting renewal of HAP funding and executing the HAP contracts will enable the Housing Authority to continue to provide affordable housing to seniors and disabled individuals.

**ENVIRONMENTAL DOCUMENTATION:**

Requesting renewal of funding and executing two HAP contracts with HUD are exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3) because they involve administrative activities that will not have a physical impact or result in any physical changes to the environment. The activities are not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378 because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

**IMPACT ON CURRENT PROJECT:**

The actions requested will ensure continued and uninterrupted funding of the rent subsidies at the Lancaster Homes and Kings Road senior housing developments and maintain affordable housing for the benefit of the seniors and disabled individuals.

Respectfully submitted,



CARLOS JACKSON  
Executive Director



**Carlos Jackson**  
Executive Director

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Commissioners

February 27, 2008

Honorable Housing Commissioners  
Housing Authority of the  
County of Los Angeles  
2 Coral Circle  
Monterey Park, California 91755

Dear Commissioners:

**APPROVE CONSTRUCTION CONTRACT FOR EXTERIOR IMPROVEMENTS  
AT CARMELITOS SENIOR HOUSING DEVELOPMENT (4)**

**IT IS RECOMMENDED THAT YOUR COMMISSION:**

1. Recommend that the Board of Commissioners find that the approval of a construction contract for exterior improvements at Carmelitos senior housing development is exempt from the provisions of the California Environmental Quality Act (CEQA), as described herein, because the work includes activities that will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners approve and authorize the Executive Director of the Housing Authority of the County of Los Angeles to execute a construction contract (Contract) in the amount of \$288,262, in substantially the form of the attached, and all related documents, with DMS Construction, Incorporated (Contractor), to complete exterior improvements at the Carmelitos senior housing development located in the City of Long Beach, effective upon the issuance of the Notice to Proceed, which will not exceed 30 days following the date of Board approval, and execution by all parties.
3. Recommend that the Board of Commissioners authorize the Executive Director to use a total of \$288,262 in Capital Fund Program (CFP) funds provided by the U.S. Department of Housing and Urban Development (HUD), for the purposes described above.



4. Recommend that the Board of Commissioners authorize the Executive Director to approve Contract change orders not to exceed \$72,066 for unforeseen project costs, using the same source of funds described above.
5. Recommend that the Board of Commissioners authorize the Executive Director to incorporate up to \$360,328 in CFP funds into the Housing Authority's approved Fiscal Year 2007-2008 budget for the purposes described above.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:**

The purpose of this action is to award a Contract for exterior improvements at the Carmelitos senior housing development.

**FISCAL IMPACT/FINANCING:**

There is no impact on the County general fund. The Housing Authority will fund the rehabilitation with \$288,262 in CFP funds allocated by HUD. A 25% contingency, in the amount of \$72,066, is also being set aside for unforeseen costs using the same source of funds. A total of up to \$360,328 in CFP funds will be incorporated into the Housing Authority's approved Fiscal Year 2007-2008 budget for the purposes described above.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS:**

The majority of the exterior improvements at the 155-unit Carmelitos senior housing development will be in the breezeway areas, and include the replacement of two courtyard stairs, new flooring, lighting, deck coating, and ceiling texture coating, painting of walls and unit doors, replacing the unit door numbers, and all associated work.

The improvements are being federally funded, and are not subject to the requirements of the Greater Avenues for Independence (GAIN) Program or the General Relief Opportunity for Work (GROW) Program implemented by the County of Los Angeles. Instead, DMS Construction Incorporated will comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain HUD assistance be directed to low- and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

The Housing Authority wishes to award the Contract to DMS Construction, Incorporated, to complete the exterior improvements. The Contract has been approved as to form by County Counsel and executed by DMS Construction, Incorporated.

**ENVIRONMENTAL DOCUMENTATION:**

Pursuant to Title 24 of the Code of Federal Regulations, Section 58.35 (a)(3)(ii), this action is excluded from the National Environmental Policy Act (NEPA) because it involves activities that will not alter existing environmental conditions. The action is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301 because it does not have the potential for causing a significant effect on the environment.

**CONTRACTING PROCESS:**

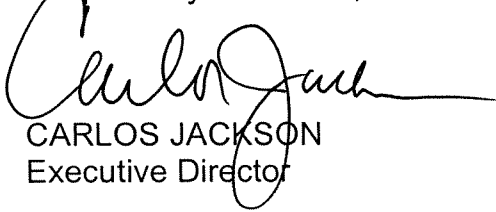
On August 30, 2007, the Housing Authority initiated an outreach. Invitations for Bids were mailed to all Class B licensed contractors identified from the Housing Authority's vendor list. Advertisements also appeared in nine local newspapers and on the County WebVen website. Thirteen bid packages were requested and distributed.

On October 30, 2007, four bids were received and formally opened. The lowest bid, submitted by DMS Construction, Incorporated, was determined to be the most responsive and is being recommended for the Contract award. The Summary of Outreach Activities is provided as Attachment A.

**IMPACT ON CURRENT PROJECT:**

The award of the Contract will improve the exterior appearance of the Carmelitos senior housing development and continue to provide the residents with decent, safe, and sanitary living conditions.

Respectfully submitted,



CARLOS JACKSON  
Executive Director

Attachments: 2

## ATTACHMENT A

### Summary of Outreach Activities

#### Carmelitos Senior Housing Development Exterior Improvements Project

On August 30, 2007, the following outreach was initiated to identify a contractor for the exterior improvements at the Carmelitos senior housing development, located at 761 and 817 Via Carmelitos Avenue, in the City of Long Beach.

---

#### A. Newspaper Advertising

Announcements appeared in the following nine local newspapers:

Dodge Construction News	Los Angeles Sentinel
Eastern Group Publications	Los Angeles Times
International Daily News	The Daily News
La Opinion	WAVE Community Newspapers
Long Beach Press Telegram	

An announcement was also posted on the County Web Site.

#### B. Distribution of Bid Packages

The Housing Authority's vendor list was used to mail out Invitations for Bids to 518 B-licensed contractors, of which 347 identified themselves as businesses owned by minorities or women (private firms which are 51 percent owned by minorities or women, or publicly-owned businesses in which 51 percent of the stock is owned by minorities or women). As a result of the outreach, thirteen bid packages were requested and distributed.

#### C. Pre-Bid Conference and Site Walk

On September 27, 2007, a mandatory pre-bid conference and site walk was conducted. Fifteen firms were in attendance.

#### D. Bid Results

On October 30, 2007, a total of four bids were received and publicly opened. The bid result was as follows:

<u>Company</u>	<u>Bid Amount</u>
DMS Construction, Incorporated	\$288,262
AZ Home, Incorporated	\$338,956
DLE Construction	\$474,366
C.A.S General Contractor	\$504,120

E. Minority/Female Participation – Selected Contractor

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
DMS Construction, Incorporated	Minority	Total: 5 5 Minorities 0 Women 100% Minorities 0% Women

F. Minority/Female Participation – Contractors Not Selected

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
AZ Home, Incorporated	Non-Minority	Total: 11 0 Minorities 1 Women 11% Minorities 0% Women
DLE Construction	Information Unavailable	Total: 0 0 Minorities 0 Women 0% Minorities
C.A.S. General Contractor	Minority	Total: 3 3 Minorities 0 Women 100% Minorities 0% Women

The Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, by providing information at local and national conferences, conducting seminars for minorities and women regarding programs and services, advertising in newspapers to invite placement on the vendor list, and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of the contract is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

**Contract Summary**

**Project Name:** Carmelitos Senior Housing Developments Exterior Improvements Project  
**Location:** 761 & 817 Via Carmelitos, in the City of Long Beach  
**Bid Number:** CDC07-148  
**Bid Date:** October 30, 2007  
**Contractor:** DMS Construction, Incorporated  
**Services:** Exterior improvements and all associated work.

**Contract Documents:** Part A – Instructions to Bidders and General Conditions; Part B – Specifications & Drawings; Part C – Bidder's Documents, Representations, Certifications, Bid, and Other Statements of Bidder; all Addenda to the Contract Documents.

**Time of Commencement and Completion:** The work to be performed under this Contract shall be commenced within ten (10) days after a Notice to Proceed is received by the Contractor, or on the date specified in the Notice, whichever is later, and shall be completed within ninety (90) calendar days following the required commencement date.

**Liquidated Damages:** In the event of breach of contract, the Contractor and his/her sureties shall be liable for, and shall pay to the Housing Authority the sum of **Four Hundred Dollars and Zero Cents (\$400.00)** as liquidated damages for each calendar day of delay, until the Work is accepted by the Owner.

**Contract Sum:** The Housing Authority shall pay the Contractor for the performance of the Construction Contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of **Two Hundred Eighty-Eight Thousand Two Hundred Sixty-Two Dollars and Zero Cents (\$288,262.00)**. The Contract Sum is not subject to escalation, includes all labor and material increases anticipated throughout the duration of this Construction Contract.

**Contract Contingency:** \$72,066.00



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**Michael D. Antonovich**  
*Commissioners*

**Carlos Jackson**  
*Executive Director*

February 27, 2008

Honorable Housing Commissioners  
Housing Authority of the  
County of Los Angeles  
2 Coral Circle  
Monterey Park, California 91755

Dear Commissioners:

**APPROVE CONTRACT FOR  
KITCHEN AND BATHROOM FLOORING REPLACEMENT  
AT LANCASTER HOMES SENIOR HOUSING DEVELOPMENT (5)**

**IT IS RECOMMENDED THAT YOUR COMMISSION:**

1. Recommend that the Board of Commissioners find that the approval of a construction contract (Contract) for kitchen and bathroom flooring replacement is exempt from the provisions of the California Environmental Quality Act (CEQA), as described herein, because the work includes activities that will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners approve and authorize the Executive Director of the Housing Authority of the County of Los Angeles to execute a Contract in the amount of \$60,377, in substantially the form of the attached, and all related documents, with Arbia Investments, Inc., Dba Statewide Floors (Contractor), to provide for sheet vinyl flooring materials and installation services in the kitchen and bathrooms at the Lancaster Homes senior housing development, to be effective following approval as to form by County Counsel and execution by all parties.
3. Recommend that the Board of Commissioners authorize the Executive Director to use a total of \$60,377 in funds included in the Housing Authority's approved Fiscal Year 2007-2008 budget, for the purposes described above.





4. Recommend that the Board of Commissioners authorize the Executive Director to execute amendments to the Contract, following approval as to form by County Counsel, to increase the Contract by up to \$10,000, for any unforeseen needed services or materials, using the same source of funds described above.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:**

The purpose of this action is to award a Contract for the provision and installation of sheet vinyl flooring in the kitchens and bathrooms of the 120-unit Lancaster Homes senior housing development located in the City of Lancaster.

**FISCAL IMPACT/FINANCING:**

There is no impact on the County general fund. The flooring improvements will be funded with \$60,377 in funds included in the Housing Authority's approved Fiscal Year 2007-2008 budget.

A contingency amount of \$10,000 is also being set aside to cover any unforeseen needed services or materials.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS:**

The 120-unit Lancaster Homes senior housing development was built in 1978, and the kitchens and bathrooms have the original flooring that was installed during construction. The floors have become very worn and need to be replaced. The new flooring will be laid over the original flooring.

The proposed services are being federally funded, and are not subject to the requirements of the Greater Avenues for Independence (GAIN) or the General Relief Opportunity for Work (GROW) Programs implemented by the County of Los Angeles. Instead, the Contractor must comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain HUD assistance be directed to low- and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

The Contract will be effective following approval as to form by County Counsel and execution by all parties.

**ENVIRONMENTAL DOCUMENTATION:**

Pursuant to Title 24 of the Code of Federal Regulations, Section 58.35 (a)(3)(ii), this action is excluded from the National Environmental Policy Act (NEPA) because it involves activities that will not alter existing environmental conditions. The action is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301 because it does not have the potential for causing a significant effect on the environment.

**CONTRACTING PROCESS:**

On January 2, 2008, the Housing Authority initiated an outreach to identify qualified contractors to provide flooring replacement services for the Lancaster Homes senior housing development. Invitations for Bids were mailed to 144 firms identified from the Housing Authority's vendor list. Announcements also appeared in ten newspapers and on the County Website. Fourteen bid packages were requested and distributed.

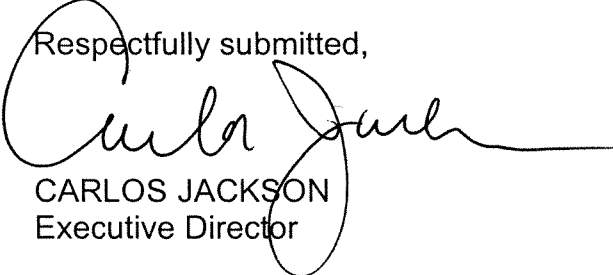
On January 31, 2008, seven bids were received and formally opened. The lowest bid, submitted by Arbia Investments Inc., Dba Statewide Floors, was determined to be responsive and is being recommended for the Contract award.

The Summary of Outreach Activities is provided in Attachment A.

**IMPACT ON CURRENT PROGRAMS:**

The proposed Contract will provide flooring replacement in the kitchens and bathrooms of all 120 units of the Lancaster Homes senior housing development.

Respectfully submitted,



CARLOS JACKSON  
Executive Director

Attachments: 2

## ATTACHMENT A

### Summary of Outreach Activities

#### **KITCHEN AND BATHROOM FLOORING REPLACEMENT AT LANCASTER HOMES SENIOR HOUSING DEVELOPMENT**

On January 2, 2008, the following outreach was initiated to identify qualified contractors to provide flooring replacement services for the Lancaster Homes senior housing development located in the City of Lancaster.

##### A. Newspaper Advertising

Announcements appeared in the following ten newspapers:

Antelope Valley Press	Los Angeles Sentinel
Eastside Sun	Los Angeles Times
La Opinion	Long Beach Press Telegram
International Daily News	Wave Publications Group
The Daily News	Agua Dulce News

An announcement was also posted on the County Website.

##### B. Distribution of Bid Packets

The Housing Authority's vendor list was used to mail out the Invitation for Bids (IFB) to 144 contractors, of which 96 identified themselves as businesses owned by minorities or women (private firms which are 51 percent owned by minorities or women, or publicly-owned businesses in which 51 percent of the stock is owned by minorities or women). As a result of the outreach, 14 bid packets were requested and distributed.

##### C. Pre-Bid Conference

On January 17, 2008, 13 contractors participated in a pre-bid conference and site walk.

##### D. Bid Results

On January 31, 2008, seven bids were received. The results are as follows:

<u>Company</u>	<u>Bid Amount</u>
Arbia Investments Inc., dba Statewide Flooring	\$ 60,377
Floor Covering Unlimited, Inc.	\$ 68,000
HM Carpet Corporation	\$ 68,280
Prospectra Contract Flooring	\$ 83,730
Continental Flooring Company	\$ 88,300
Contempo Interiors	\$ 105,587

Capital Development, Inc.

\$ 137,698

E. Minority/Female Participation – Selected Firm

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
Arbia Investments Inc., dba Statewide Flooring	Non-Minority	Total: 6 4 Minorities 0 Women 66% Minorities 0% Women

F. Minority/Female Participation – Firms Not Selected

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
Floor Covering Unlimited, Inc.	Non-Minority	Total: 14 0 Minorities 1 Women 0% Minorities 7% Women
HM Carpet, Inc.	Minority	Total 8 3 Minorities 3 Women 43% Minorities 43% Women
ProSpectra Contract Flooring	Non-Minority	Total 15 3 Minorities 6 Women 2% Minorities 4% Women
Continental Flooring	Non-Minority	Total: 32 0 Minorities 21 Women 0% Minorities 66% Women
Contempo Interiors, Inc.	Minority	Total 5 4 Minorities 1 Women 80% Minorities 20% Women
Capital Development, Inc.	Female	Total 7

4 Minorities  
2 Women  
57% Minorities  
28% Women

The Housing Authority conducts ongoing outreach to include minorities and women in the Contract award process, by providing information at local and national conferences, conducting seminars for minorities and women regarding programs and services, advertising in newspapers to invite placement on the vendor list, and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of Contract is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

**Contract Summary**

**Project Name:** Lancaster Homes Senior Housing Development Flooring Replacement  
**Location:** 711-737 West Jackman Street, in the City of Lancaster  
**Bid Number:** CDC07-311  
**Bid Date:** January 31, 2008  
**Contractor:** Arbia Investments Inc., dba Statewide Flooring  
**Services:** Kitchen and Bathroom Flooring Replacement

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**Contract Documents:** Part A – Statement of Work; Part B – Fee Schedule; Part C – Required Contract Forms, Part D – Required Contract Notices, and Part E – Federal Labor Standards Act and Federal Wage Decision CA070028 01/18/08 CA28.

**Time of Commencement and Completion:** The work to be performed under this Contract shall be commenced within five (5) days after a Notice to Proceed is received by the Contractor, or on the date specified in the Notice, whichever is later, and shall be completed June 30, 2008.

**Liquidated Damages:** In the event of breach of contract, the Contractor and his/her sureties shall be liable for, and shall pay to the Housing Authority the sum of **Four Hundred Dollars and Zero Cents (\$400.00)** as liquidated damages for each calendar day of delay, until the Work is accepted by the Housing Authority.

**Contract Sum:** The Housing Authority shall pay the Contractor for the performance of the Construction subject to additions and deductions by Change Order(s) as provided in the Contract Documents, with a not-to-exceed, maximum compensation of **Sixty Thousand Three Hundred Seventy-Seven Dollars and Zero Cents (\$60,377.00)**.

**Contract Contingency:** \$10,000.00